Christopher M. Heimann General Attorney

SBC Telecommunications, Inc. 1401 Eye Street, NW,

Suite 400

Washington, D.C. 20005 Phone: 202-326-8909 Fax: 202-408-8745



August 18, 2004

VIA ELECTRONIC SUBMISSION

Ms. Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, SW – Lobby Level Washington, D.C. 20554

Re: Section 251 Unbundling Obligations for Incumbent Local Exchange Carrier, CC 01-338; Implementation of Local Competition of the Telecommunications Act of 1996, CC Docket No. 96-98; Deployment of Wireline Services Offering Advanced Telecommunications Capability, CC Docket No. 98-147 – Ex parte

Dear Ms. Dortch:

Based on recent press reports,¹ it appears that the Commission is under increasing pressure from CLECs to adopt tentative conclusions regarding impairment for high-capacity loop and interoffice transport facilities (including DS-1 facilities) in its up-coming notice of proposed rulemaking (NPRM) regarding permanent unbundling rules. As the attached maps and following analysis demonstrate, CLECs have widely deployed alternative fiber facilities (including fiber directly connecting to end-user premises), which they are using in combination with alternative facilities provided by other CLECs and ILEC special access services to successfully provide high capacity services to end users. In light of this evidence, and evidence submitted by Verizon,² any conclusion, tentative or otherwise, that CLECs are impaired on a nationwide basis without access to high-capacity transmission facilities (including DS1s) on an unbundled basis not only is at odds with the facts, but also with the D.C. Circuit's decision in *USTA II*.³ SBC currently is

 $^{^{\}rm 1}$ See, "CLECs CALL ON ADMINISTRATION TO PUSH FCC TO RELEASE UNE RULES," TR Daily, August 17, 2004.

² Verizon Ex Parte, "Competing Providers are Successfully Providing High-Capacity Services to Customers without Using Unbundled Elements, CC Docket Nos. 01-338, 96-98, and 98-147 (filed June 2004).

³ USTA v. FCC, 359 F.3d 554, 574 (D.C. Cir. 2004) (USTA II) (requiring the Commission to consider the deployment of alternative facilities and draw reasonable inferences concerning the feasibility of deploying facilities along similar routes); id. at 575 (requiring the Commission to consider whether CLECs are capable of competing without access to UNEs, not simply whether they already are doing so with alternative facilities); id. at 576, 577 (requiring the Commission to consider the availability of tariffed

in the process of gathering additional data concerning CLEC use of alternative high-capacity facilities to serve end-users, and identifying (based on that evidence) a reasonable test for determining whether and where CLECs are not impaired without unbundled access to ILEC high-capacity transmission facilities. SBC will submit that evidence and the results of its analysis in the course of the Commission's proceeding on remand. In the meantime, the Commission should reject calls for it to adopt any conclusion, tentative or otherwise, that CLECs are impaired without unbundled access to DS1 and other high-capacity loops and dedicated transport facilities until it can develop a complete record concerning the availability and use by CLECs of alternatives (including competitive fiber and ILEC special access services).

High Capacity Dedicated Transport and Loops

It is undisputed that CLECs have deployed myriad alternative fiber facilities in markets across SBC's territories, particularly in major metropolitan areas where demand for high capacity services is concentrated. Using these facilities, CLECs can and do provide high capacity services (including DS-1, DS-3 and other high capacity services) to end users in direct competition with SBC's access services. These CLEC-deployed facilities typically extend into CLEC collocation arrangements, and connect end user locations directly to competitive switches and competing carrier points-of-presence (POPs).

As described in greater detail below, SBC has engaged two independent telecommunications consultants to obtain information on the deployment of competitive fiber networks, and has translated that information onto maps that depict competitive fiber networks in 22 MSA's⁴ in its operating territory, using widely-available GIS mapping software. On a population basis, these MSAs rank as low as 61st (i.e., Bridgeport-Stamford-Norwalk-Danbury) among the top MSAs in the country. These 22 MSAs⁵ were selected because they are responsible for 80% of SBC's special access revenue. Multiple maps were developed for each of the 22 MSAs, beginning at a high level and then "zooming-in" to present additional detail concerning the deployment and use of competitive transport and loop facilities.

special access services in determining whether would-be entrants are impaired without unbundled access to ILEC facilities).

⁴ The term "MSA" is used for consistency and simplicity. Strictly speaking, all of these are Metropolitan Areas (MAs). If an MA stands alone (i.e., its territory does not touch another MA's), it is an MSA (Metropolitan Statistical Area). If two (or more) MAs are contiguous, they are designated individually as PMSAs (Primary MSAs). The grouping of multiple contiguous PMSAs is designated as a CSMA (Consolidated MSA).

⁵ The 22 MSAs are Chicago, Los Angeles – Long Beach, Detroit, Dallas, Houston, Orange County, San Jose, San Diego, Oakland, San Francisco, St. Louis, Kansas City, Cleveland-Lorain-Elyria, Indianapolis, Columbus, Milwaukee, Sacramento, Ft. Worth, Bridgeport-Stamford-Norwalk-Danbury, San Antonio, Austin-San Marcos, and Oklahoma City. See Attachment A.

GeoTel

GeoTel, a telecommunications research and geographic information systems mapping firm, was engaged to identify the location of competitive fiber. The company provides a variety of reports on telecommunications infrastructure to assist service providers in penetrating new markets and expanding in existing markets, and to help fiber vendors sell or lease fiber to those service providers. It gathers information about business opportunities, product offerings, potential customers, and telecommunications markets throughout the country, and provides that information to its clients, which include major telecommunications services providers, consultants, government agencies and universities.

GeoTel uses several sources to compile and verify fiber deployment data. First, GeoTel acquires information from fiber owners themselves. Some fiber owners provide the information to GeoTel on their own so that GeoTel can help them locate buyers; others provide the information at GeoTel's request. Second, GeoTel traces fiber routes in large metropolitan areas by identifying fiber access manholes and using Global Positioning Systems to map the location of fiber facilities. Third, GeoTel searches public records, such as construction permits and information from companies that lay trenches for fiber to identify where fiber has been deployed. GeoTel uses each of these multiple sources not only to gather data, but also to serve as a crosscheck on the other sources. GeoTel repeats the foregoing methodology approximately every six months to ensure that its information is accurate and up-to-date.

GeoResults

GeoResults is a database marketing and consulting firm that has developed a national database that identifies over 80,000 fiber "lit" buildings across the United States. The database contains the identity of each service provider serving these buildings. GeoResults's clients include American Fiber Systems, Cox Enterprises, Global Crossing, Lucent, RCN, Time Warner Telecom, SBC and other incumbent local exchange carriers, who can use the information contained in GeoResults's database to develop transport and fiber route deployment strategies, avoid stranded investment, and focus sales and marketing efforts.

GeoResults has access to two equipment databases maintained by Telcordia that are used by carriers throughout the country to track network assets, manage their networks, and facilitate interoperability with other carriers' networks. The first is a library of Common Language Location Identifier ("CLLI") codes, which are used to identify physical locations and network equipment. The second database is an inventory of equipment codes in the Central On-line Entry System ("CLONES"), which is the repository for CLLI codes. When a carrier deploys equipment (such as a multiplexer) that is to be connected to the public telecommunications

⁶ <u>http://www.geo-tel.com/</u>

⁷ http://www.georesults.com/index.htm

network, it must obtain a CLLI code that denotes the type of equipment and its location, and enter that code into the CLONES database. These databases thus contain information entered by the carriers themselves regarding their network sites, transmission facilities, network equipment, circuits and vendors.

All carriers use multiplexers to provision high-capacity services, such as DS-1 and DS3 services. As a consequence, one can identify buildings that are being served by competitive carriers, and thus which are "lit" by alternatives to ILEC facilities, by searching the CLONES database to identify where CLECs have deployed such equipment at specific customer locations and connected that equipment to non-ILEC fiber or other means of transport, such as fixed wireless networks. GeoResults has painstakingly reviewed and analyzed the Telcordia databases to compile its listing of competitively lit buildings.

Map Descriptions

The fiber maps attached hereto identify, for each MSA, where CLECs have deployed or are using alternatives to UNEs to provide competitive high-capacity services to end-users. In particular, the first map for each MSA shows the MSA and SBC's wire center boundaries, as well as the location of competitive fiber based on data gathered by GeoTel. The wire centers shaded by horizontal lines are those wire centers that account for 80 percent of the SBC's special access revenues for DS-1 and DS-3 services.

The second map shows central offices served by known CLEC fiber based on SBC records regarding the presence of fiber-based collocation. CLECs can make connections between these collocations either directly or indirectly – by using either their own fiber network or another carrier's network – and are capable of providing transport between any two central offices that connect to these networks. Therefore, the gray lines on these maps indicate available competitive transport routes between wire centers in the MSA.

The subsequent maps are effectively magnified versions of the initial map, showing ever greater detail. They reflect the known fiber routes in the metropolitan and downtown areas and also show the CLEC lit buildings (*i.e.*, the purple squares).

These maps provide a conservative representation of the availability of alternatives to ILEC high-capacity UNEs. No third party can be expected to identify all competitively deployed fiber. Moreover, high capacity transport and loop services and facilities provided by alternative technologies, such as fixed wireless and cable, are not depicted. Discovery responses from competitive providers in the now-terminated state Triennial Review proceedings confirmed that other competitive fiber and lit buildings exist, but such information was not used in the preparation of these materials. Before drawing any conclusions about the need for DS1 loop unbundling, the Commission should require CLECs to provide information within their possession about, *inter alia*, exactly where they have deployed facilities, their policies for

extending facilities to new locations, and where they serve customers using incumbent LEC special access services.

For selected MSAs, SBC also has identified end-user customer locations that are served by CLECs using special access services purchased from SBC. Internal billing records were examined to identify CLEC purchases of high capacity services. These records contain the address of the customer that is being served by the non-ILEC service provider using SBC-provided special access services. The records were manually reviewed to remove entrance facilities and special access purchased by wireless providers. The remaining end-user locations were mapped as triangles. These maps demonstrate that CLECs are using special access purchased from SBC to extend the reach of their network. Analysis of additional MSAs within SBC's territory is currently underway, and will be provided in the course of the Commission's proceeding on remand from the D.C. Circuit.

If you have any questions concerning the foregoing, or the attached maps, please contact the undersigned.

Sincerely,

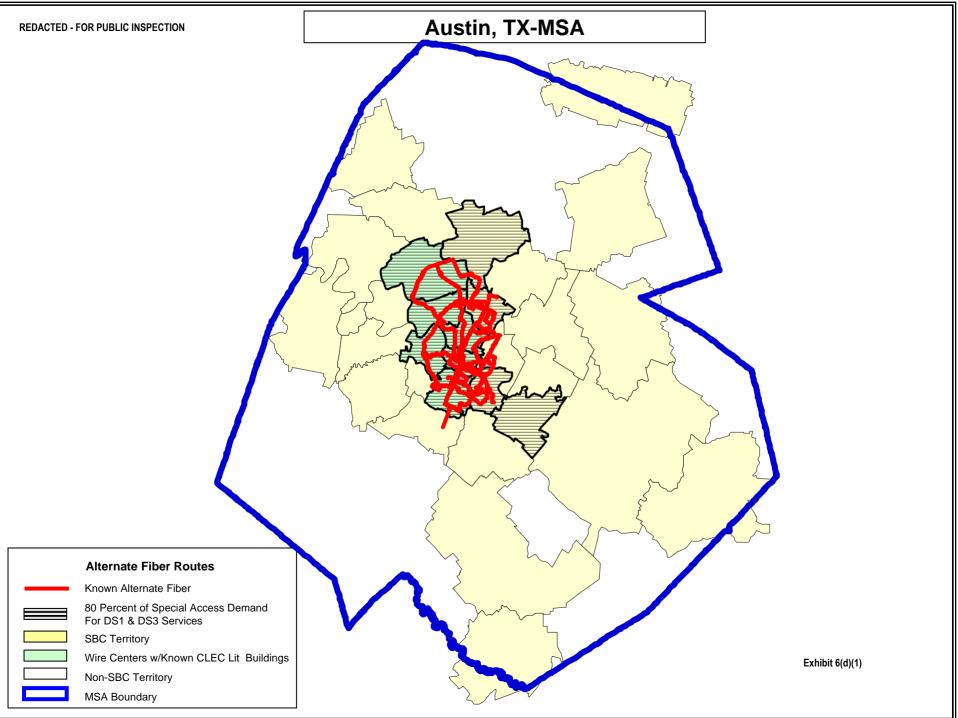
/s/ Christopher M. Heimann

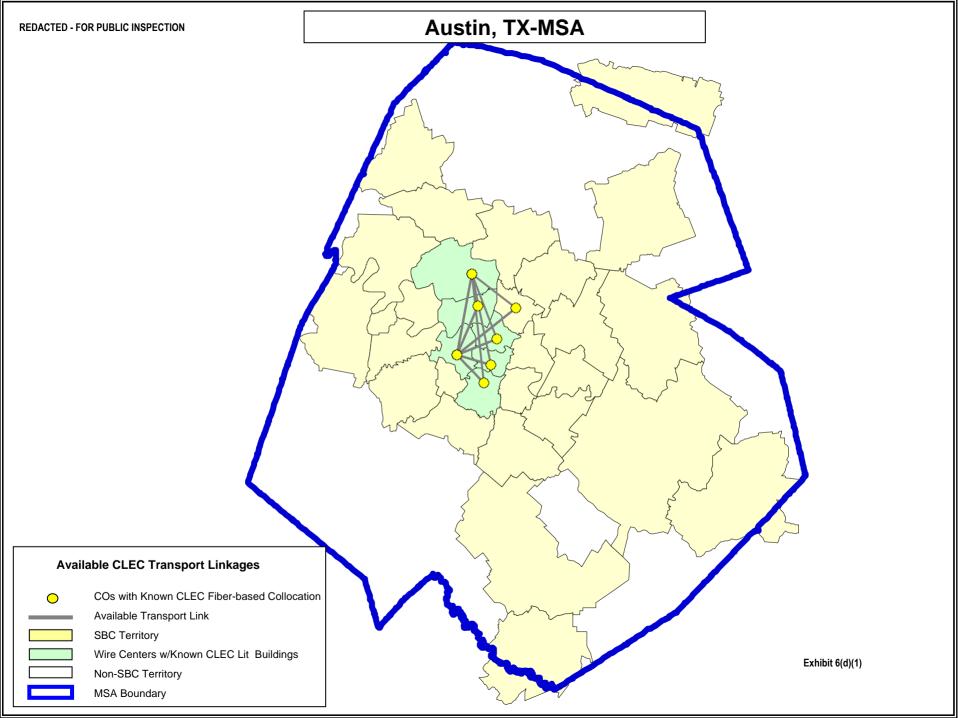
Attachments

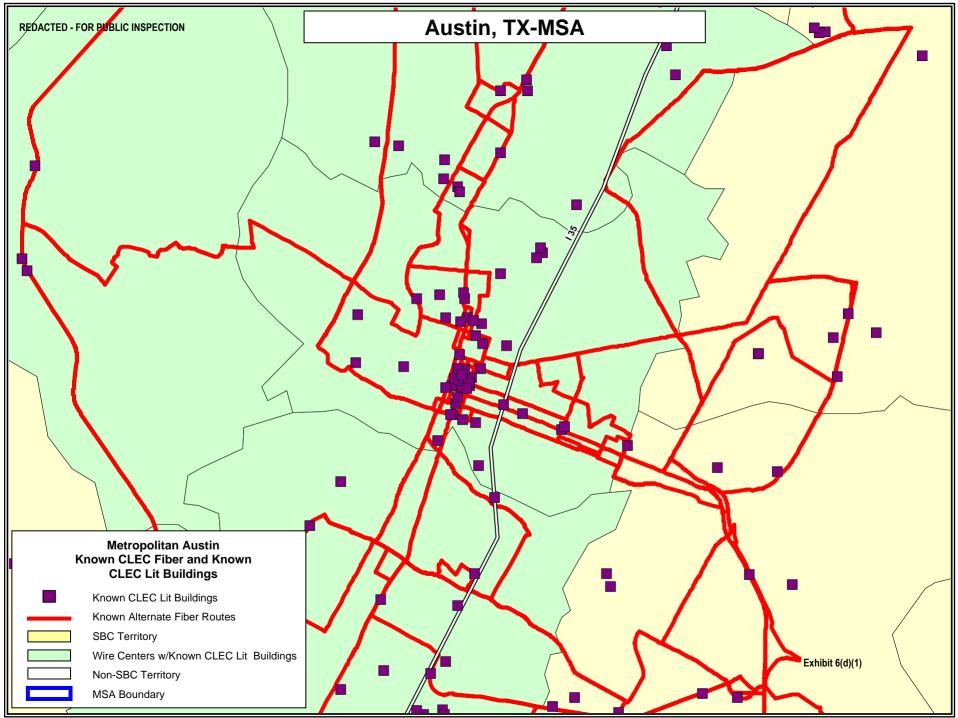
cc: Chairman Michael K. Powell
Commissioner Kathleen Abernathy
Commissioner Jonathan Adelstein
Commissioner Michael Copps
Commissioner Kevin Martin
Scott Bergmann
Matthew Brill
Christopher Libertelli
Jessica Rosenworcel
Bryan Tramont
Jeffrey Carlisle
Michelle Carey
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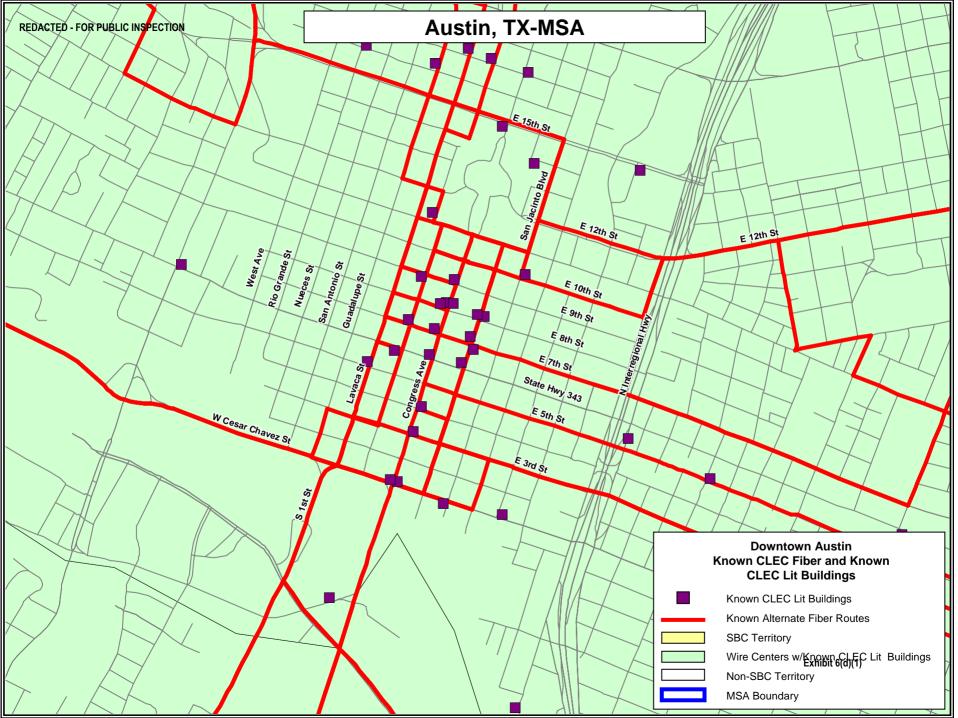
John Rogovin

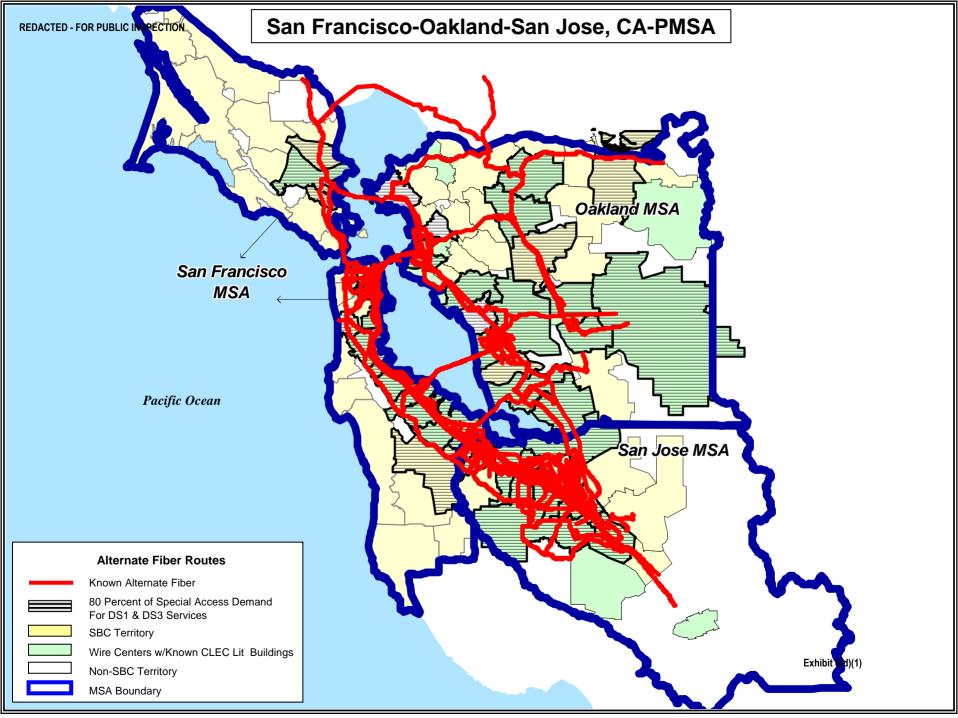
Attachment A

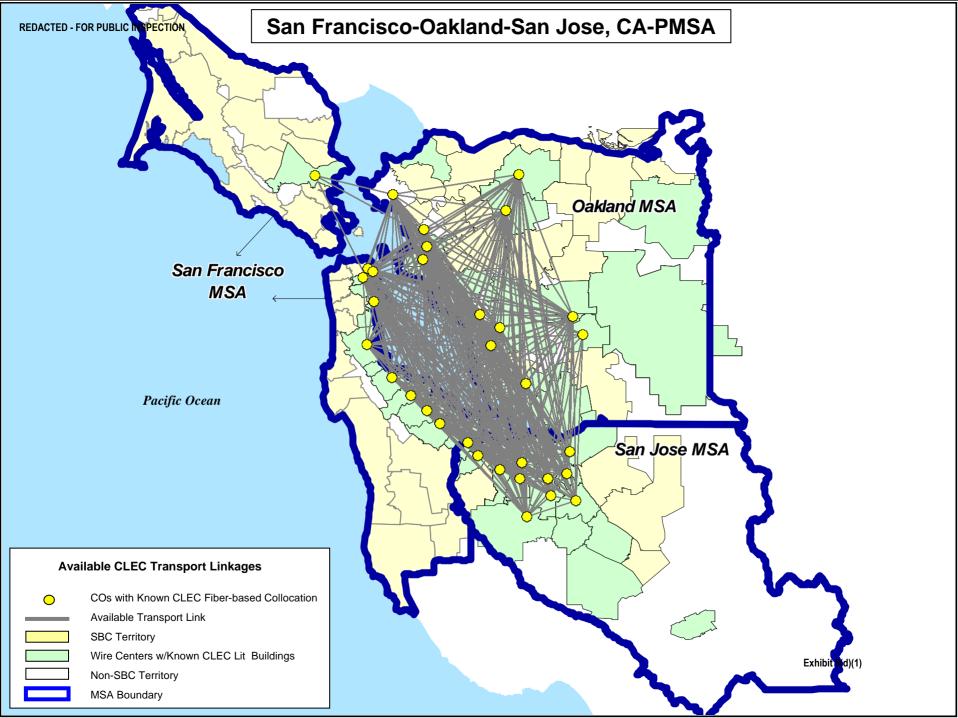


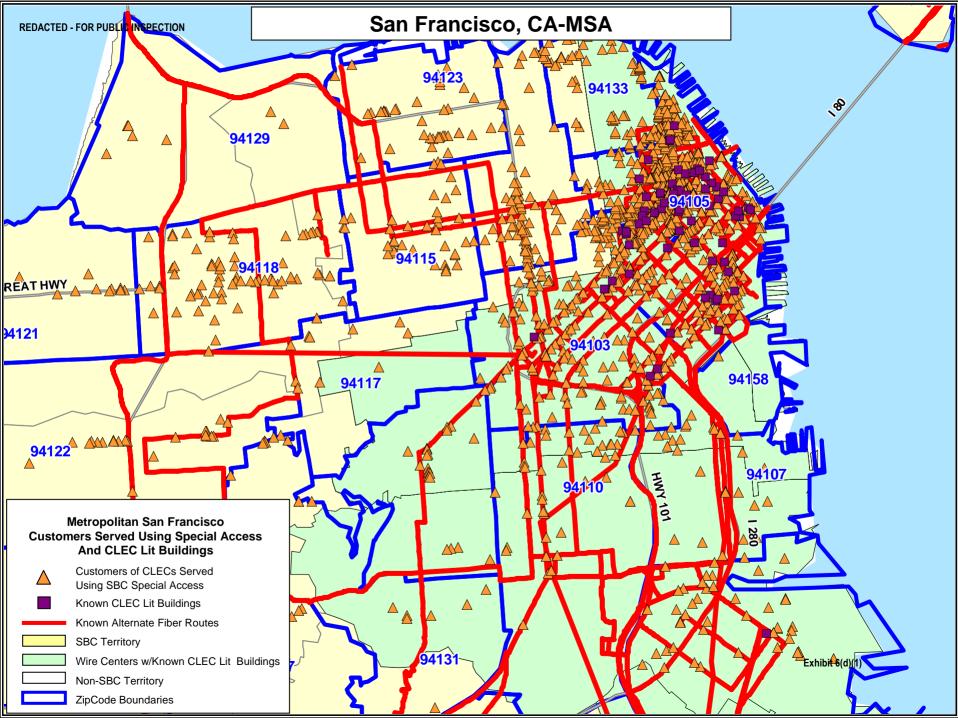




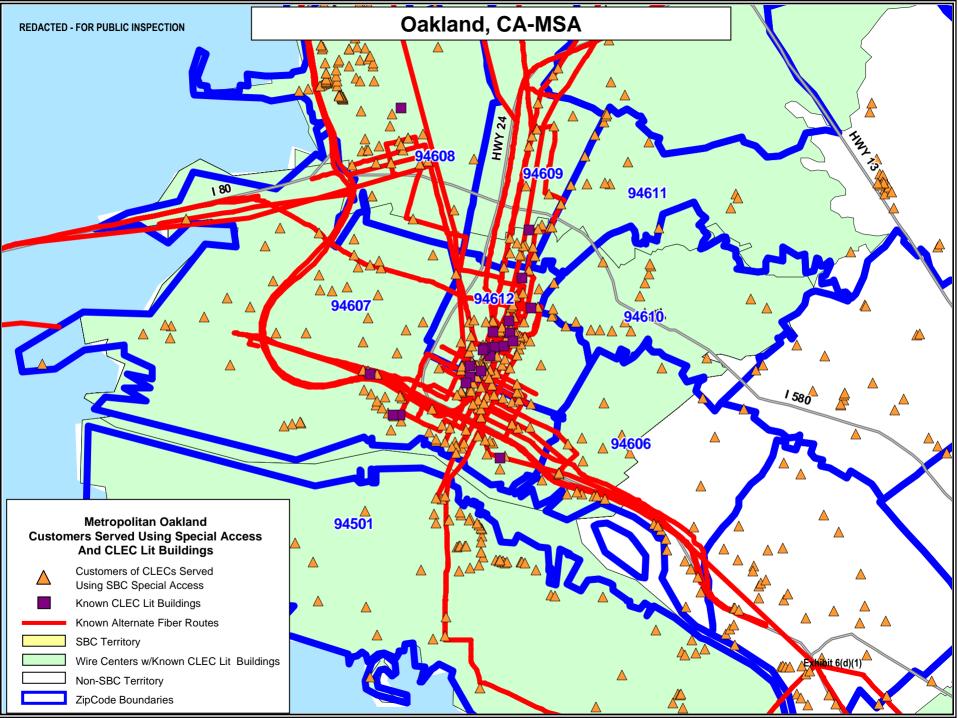


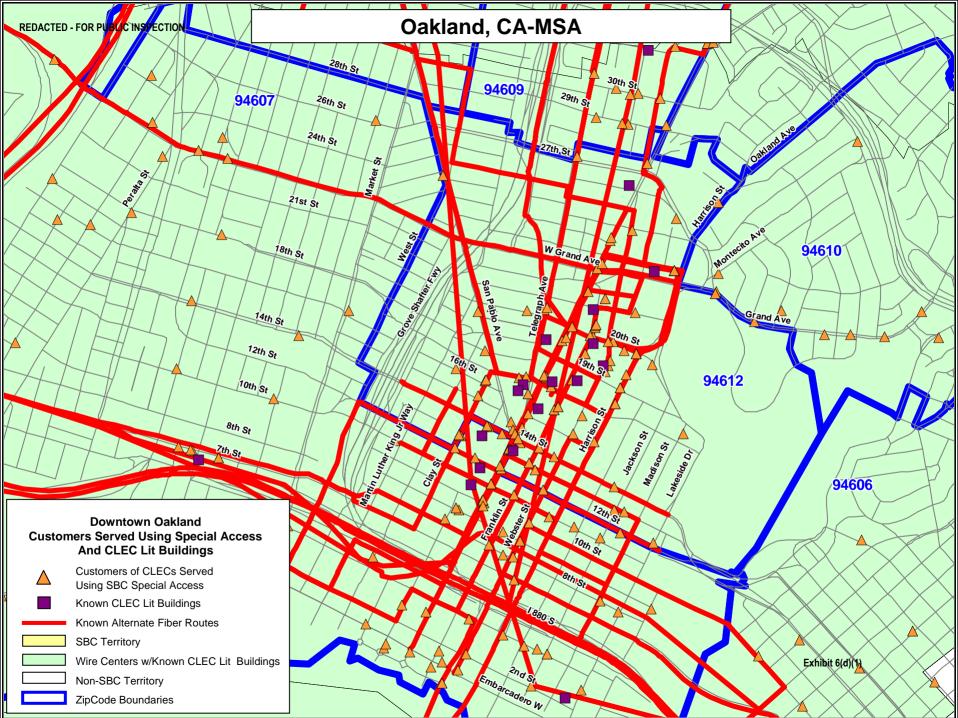


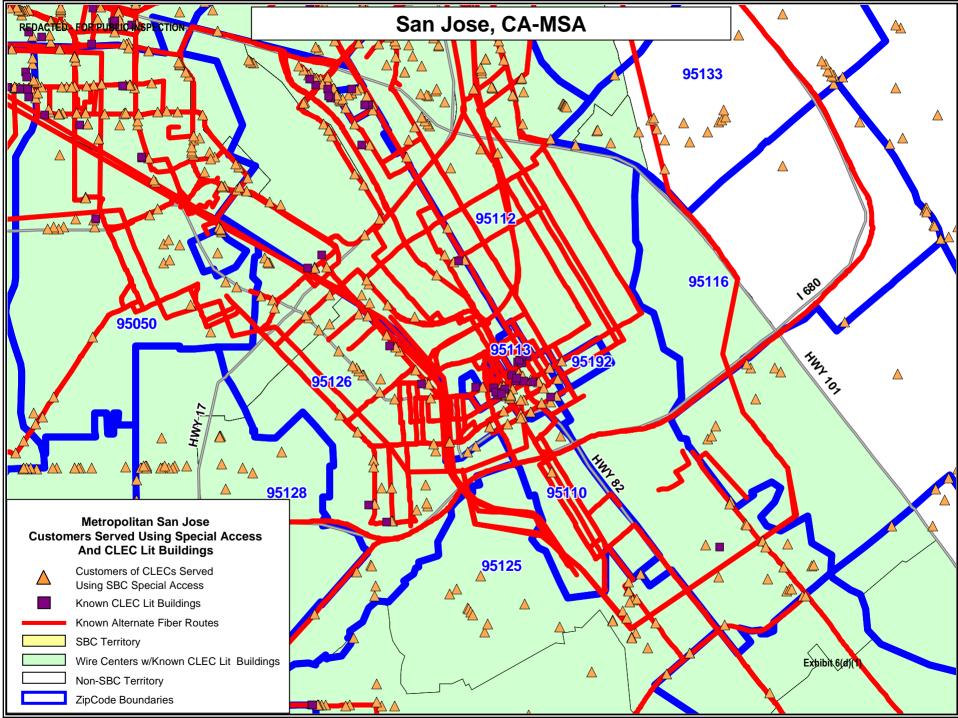


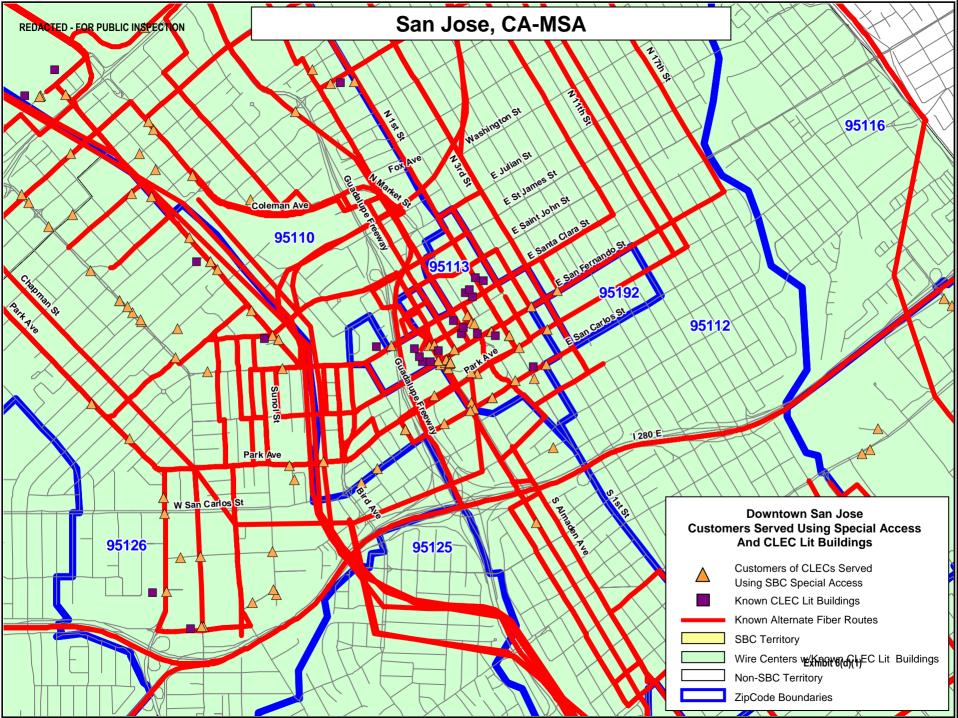


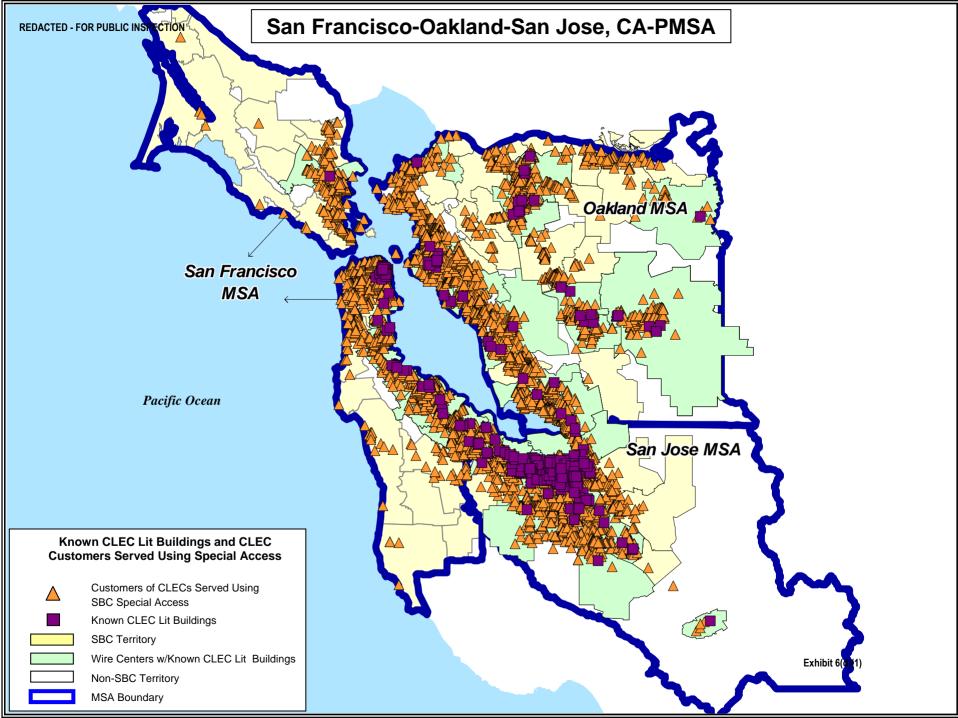


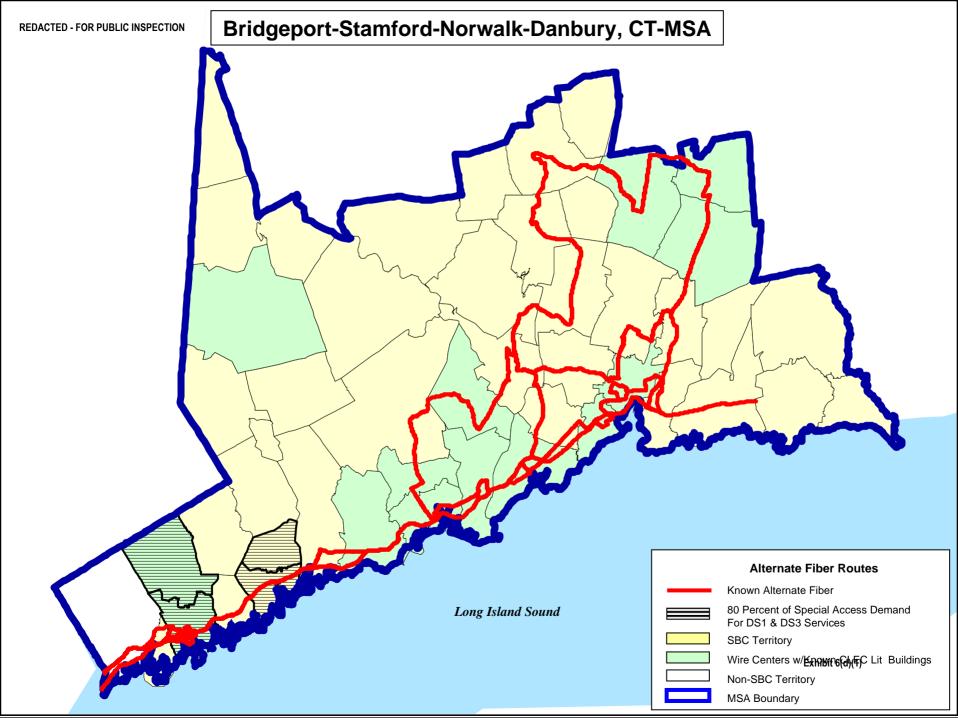


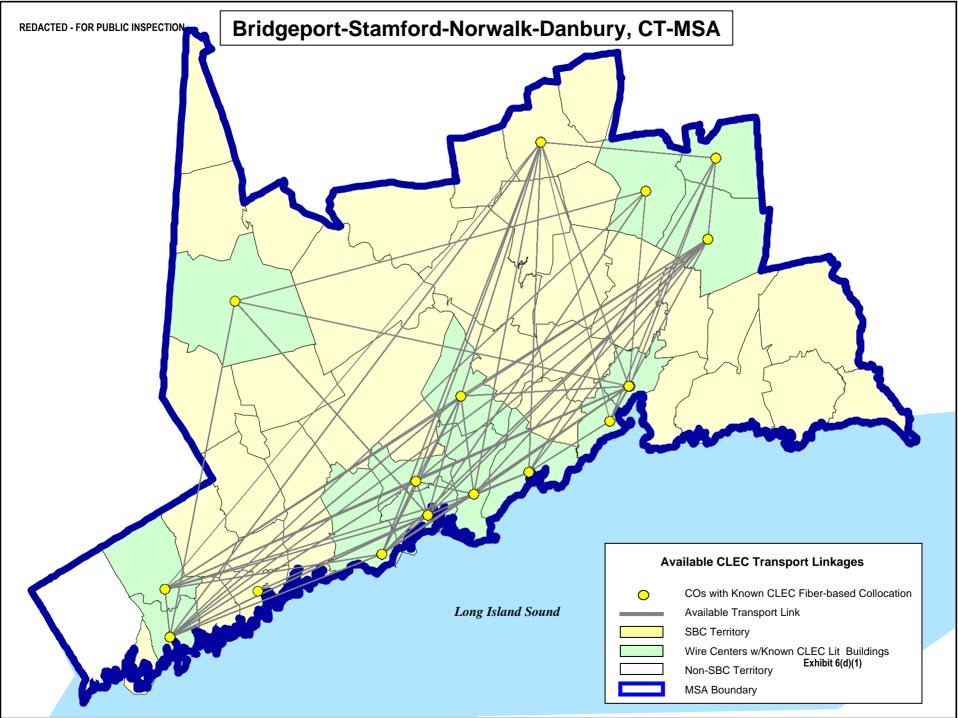


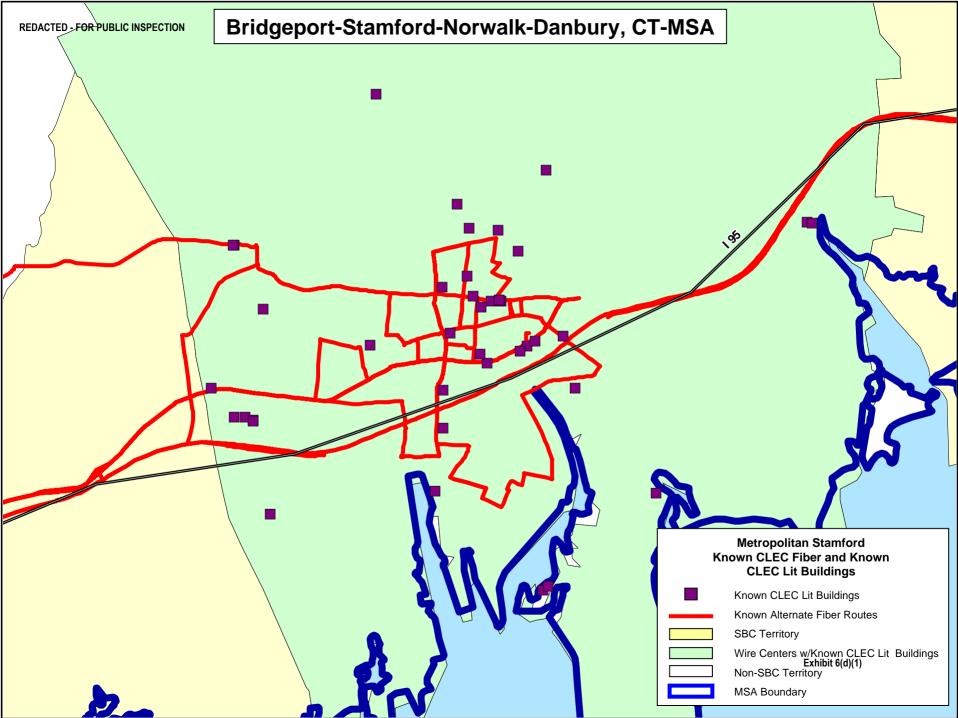


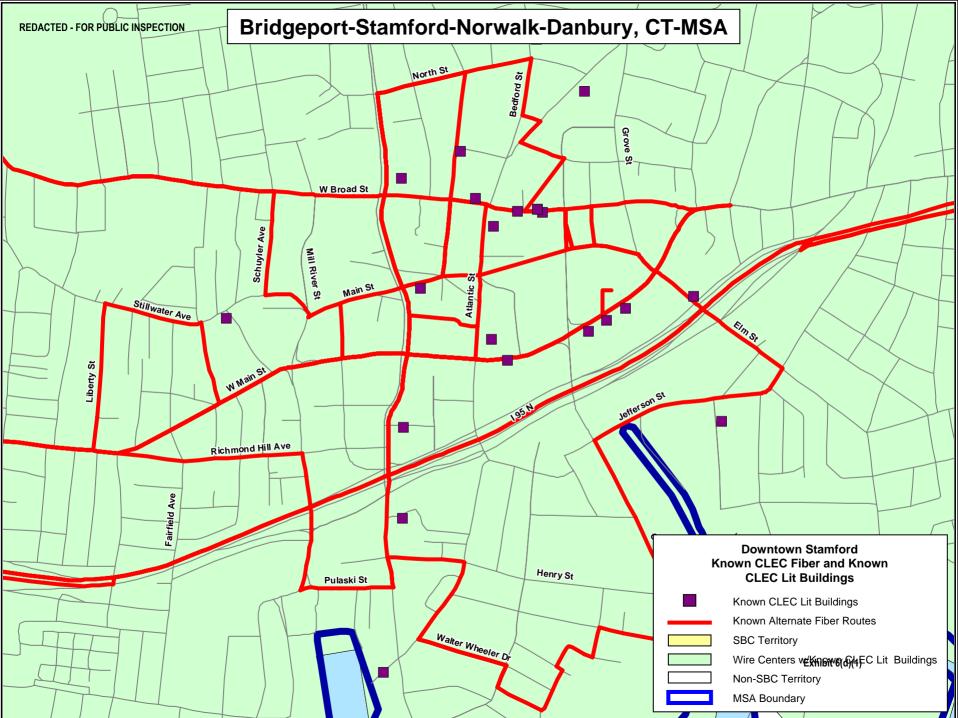








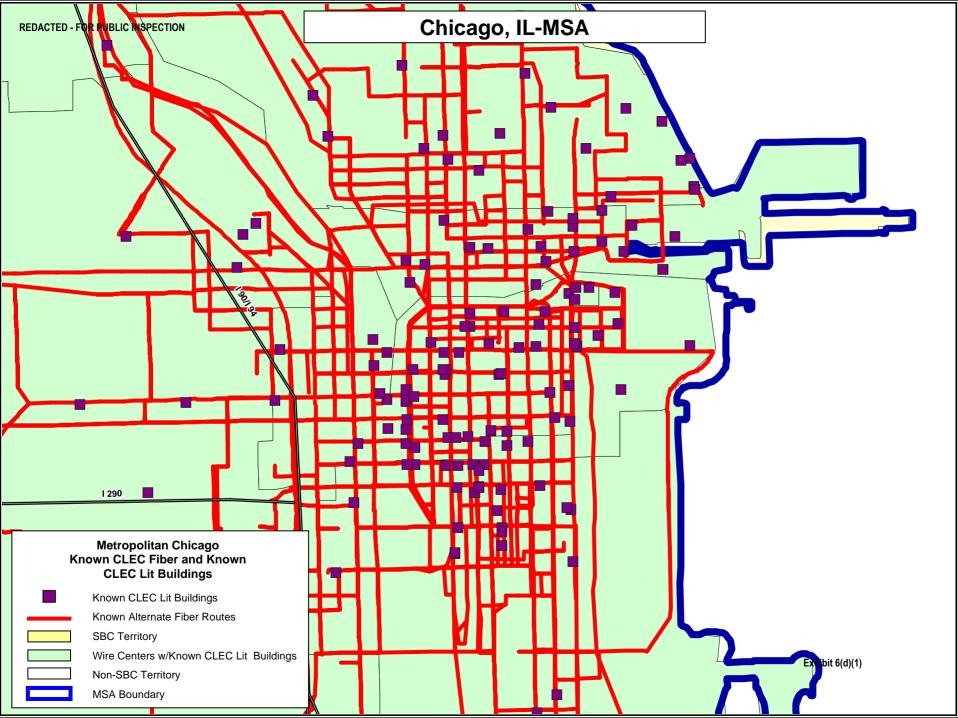


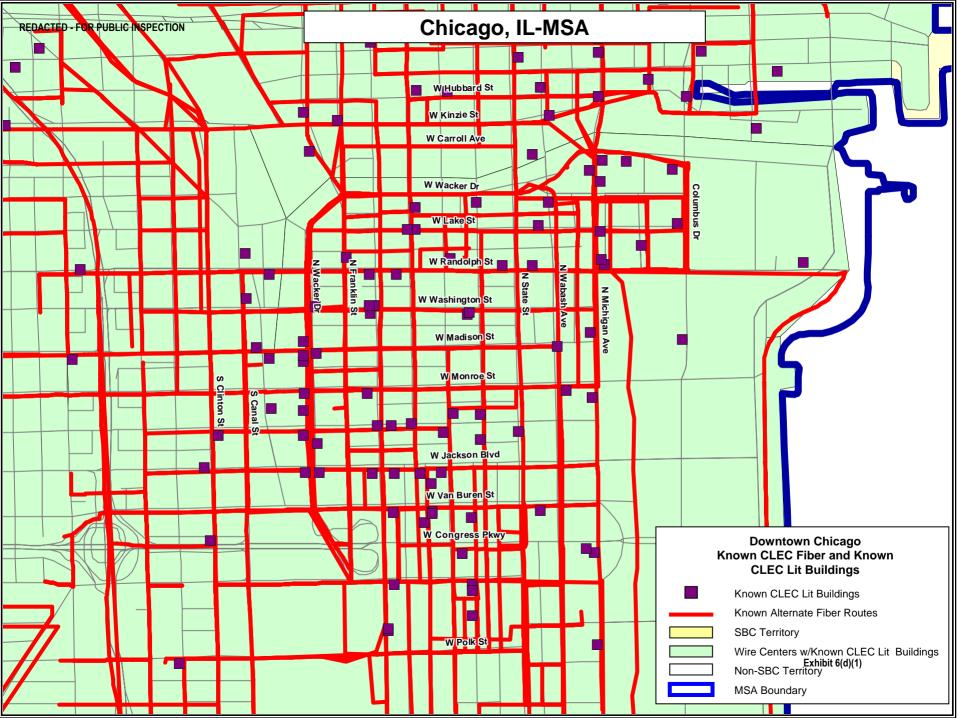


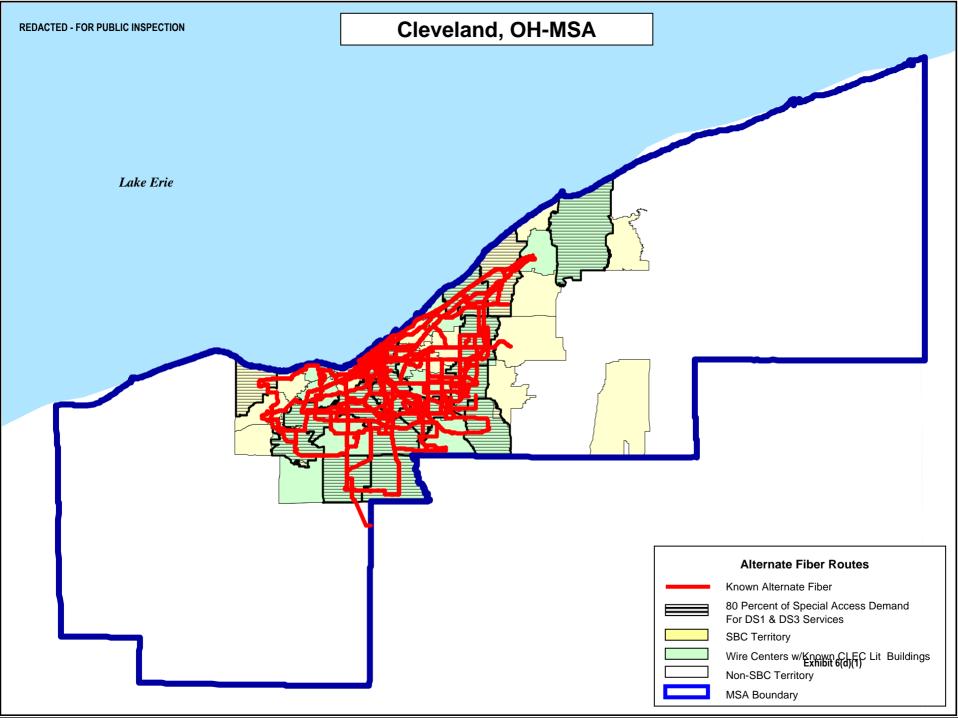
Wire Centers w/Known CLEC Lit Buildings

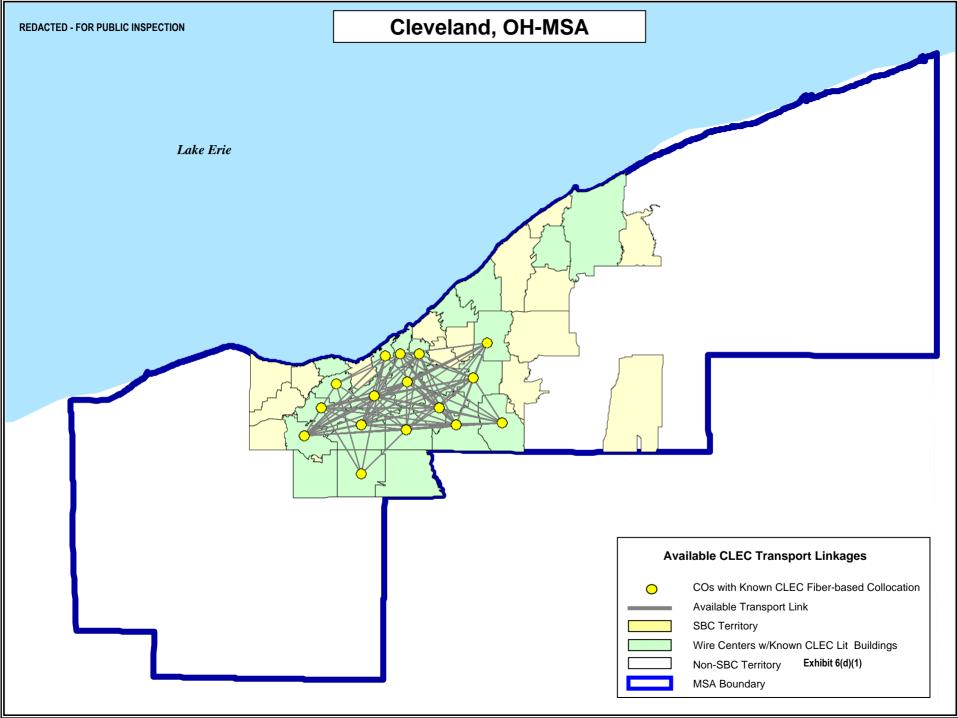
Non-SBC Territory MSA Boundary Exhibit 6(d)(1)

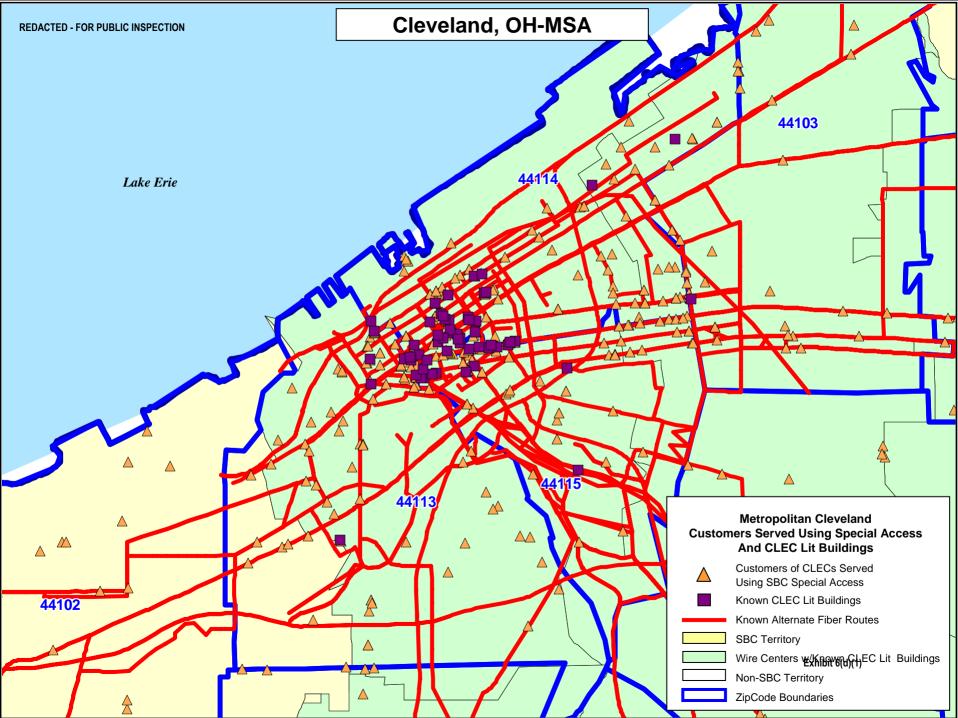
Non-SBC Territory MSA Boundary Exhibit 6(d)(1)

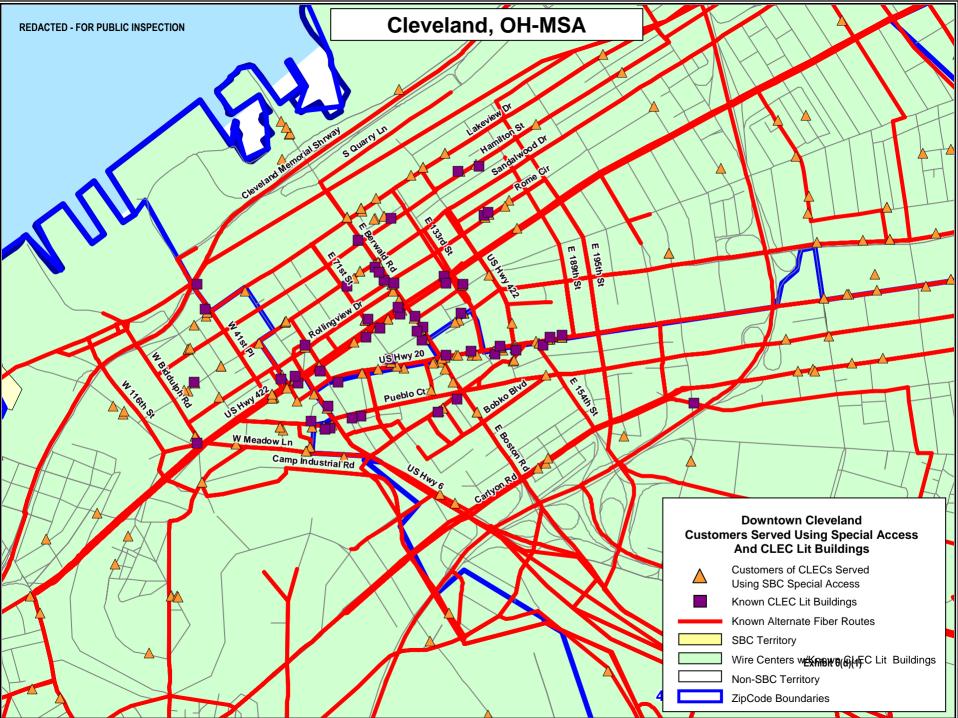


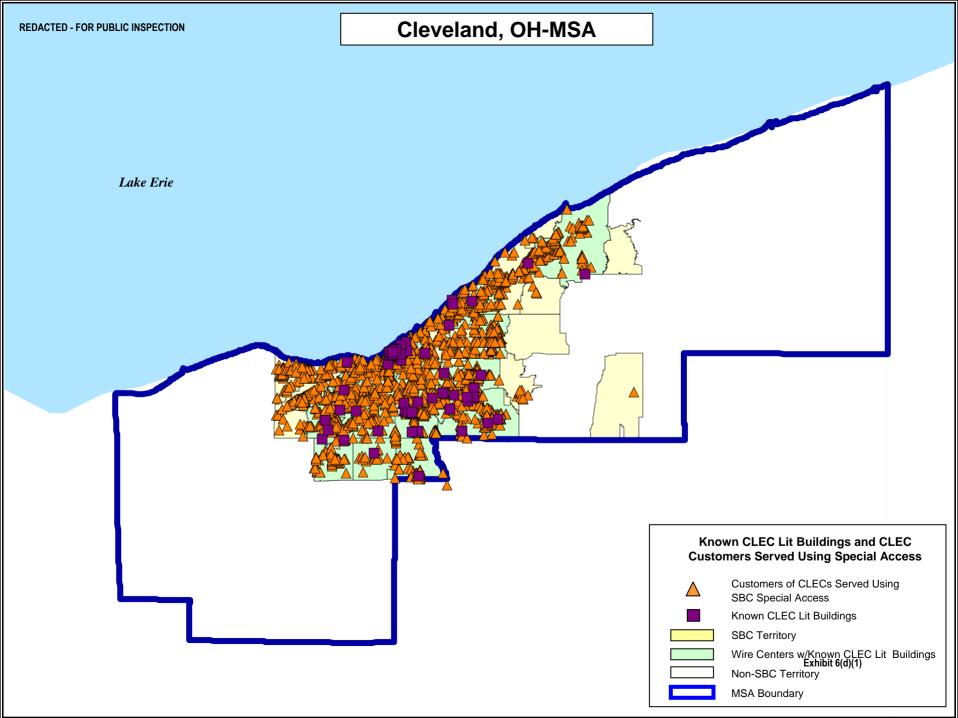


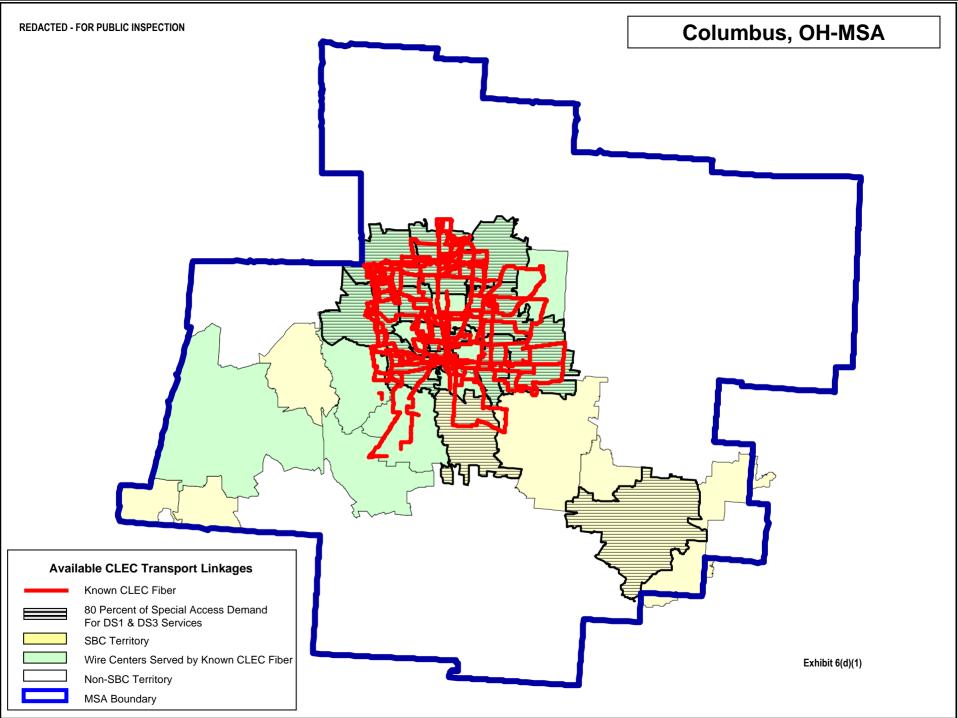


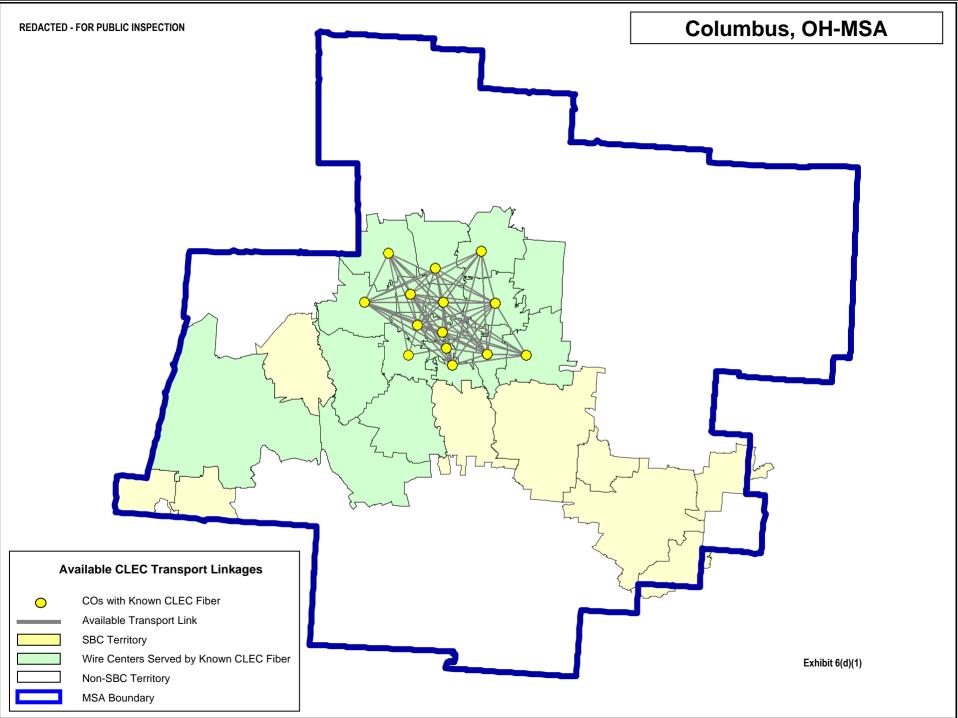


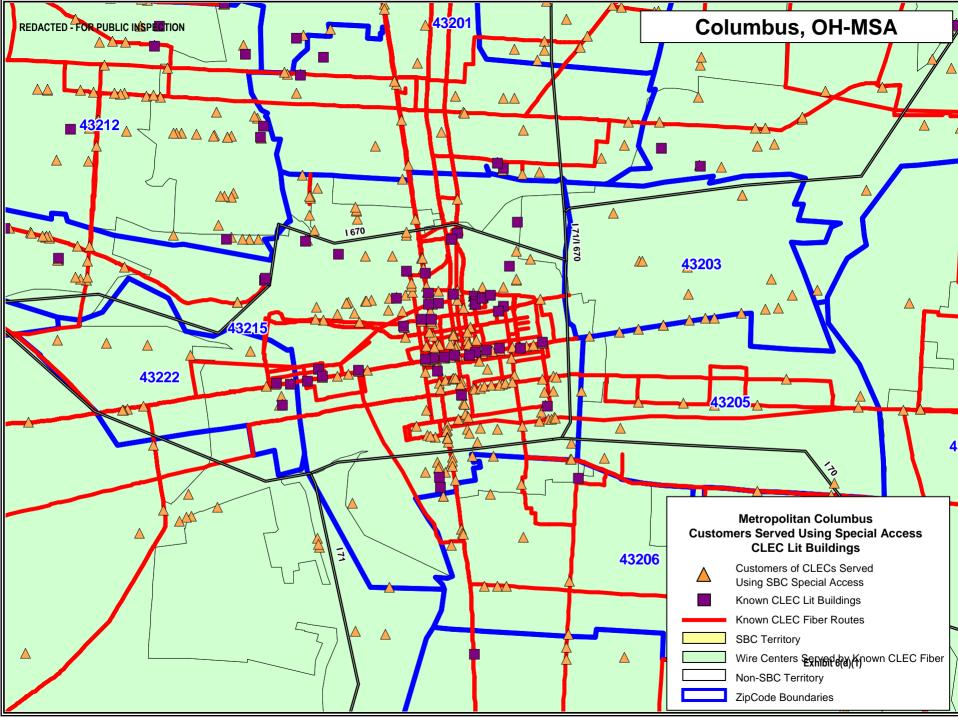


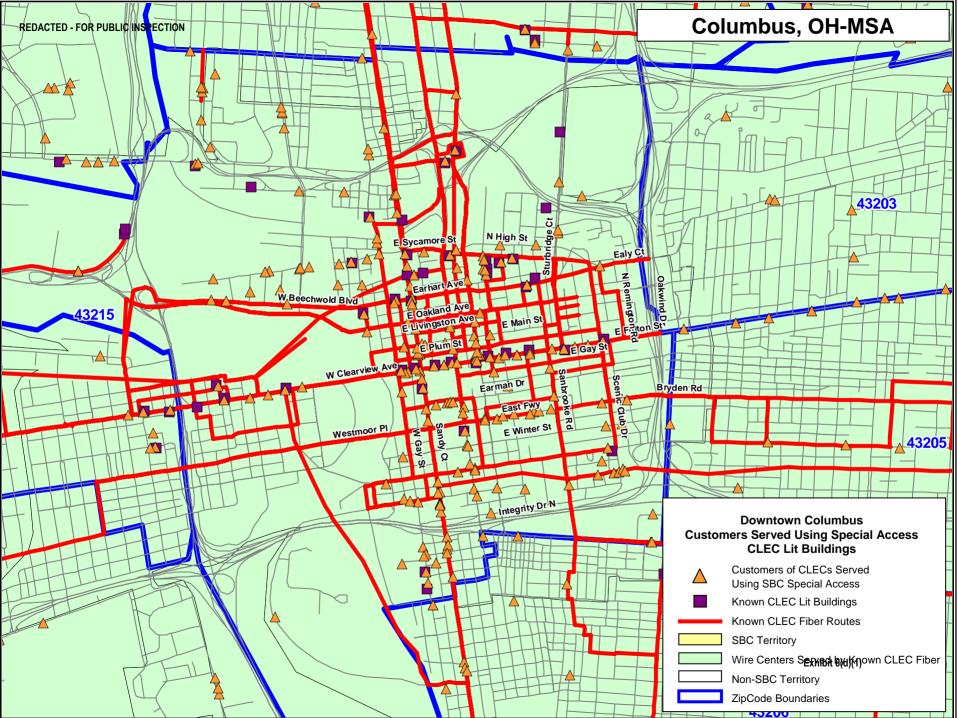


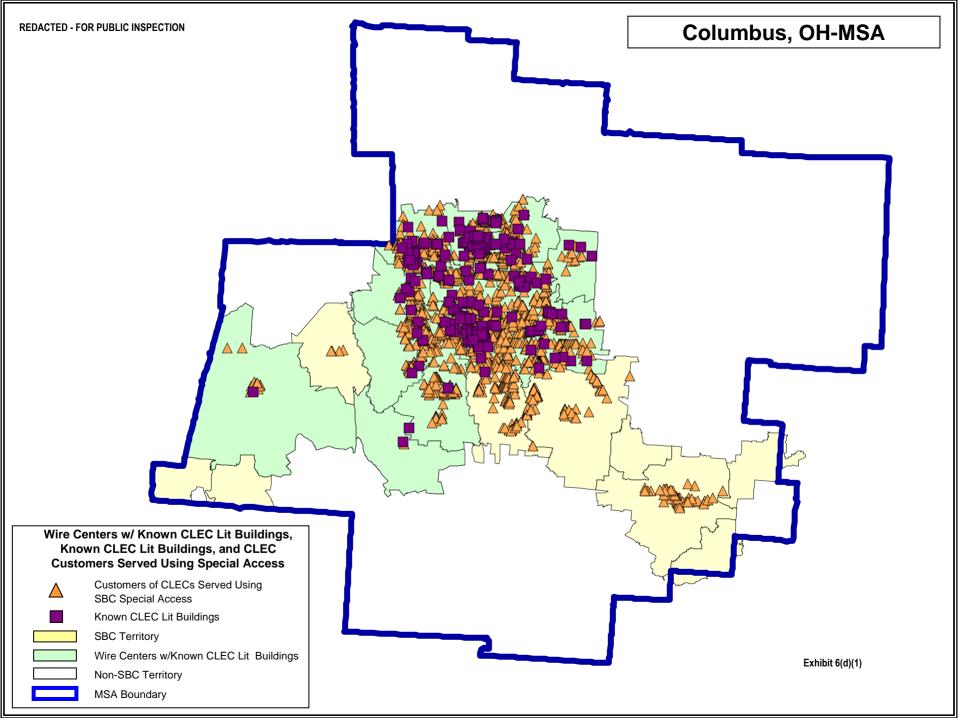


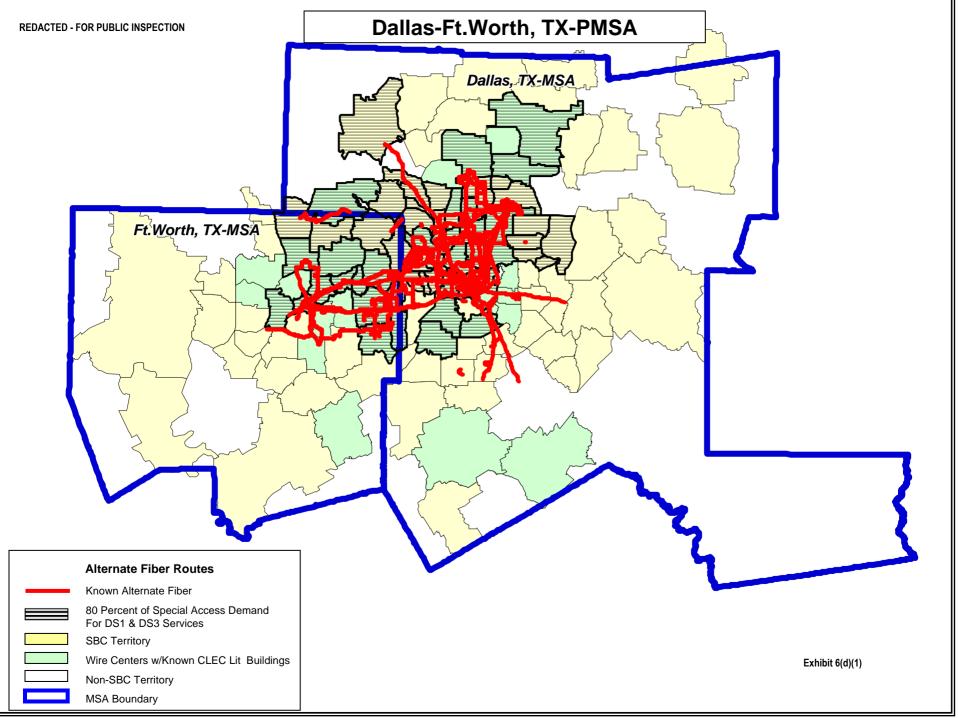


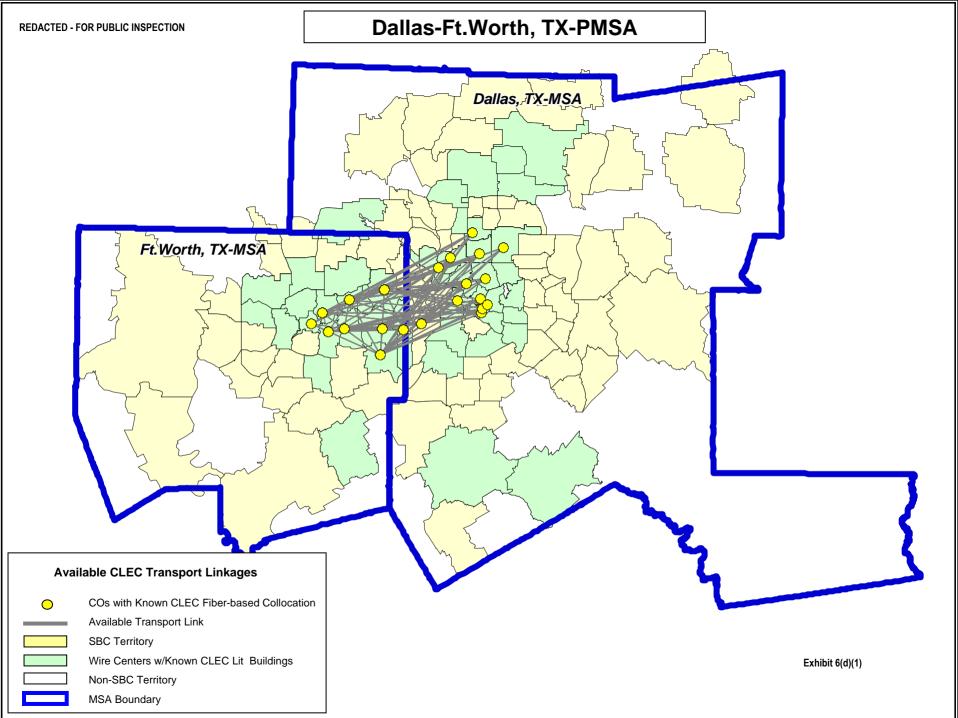


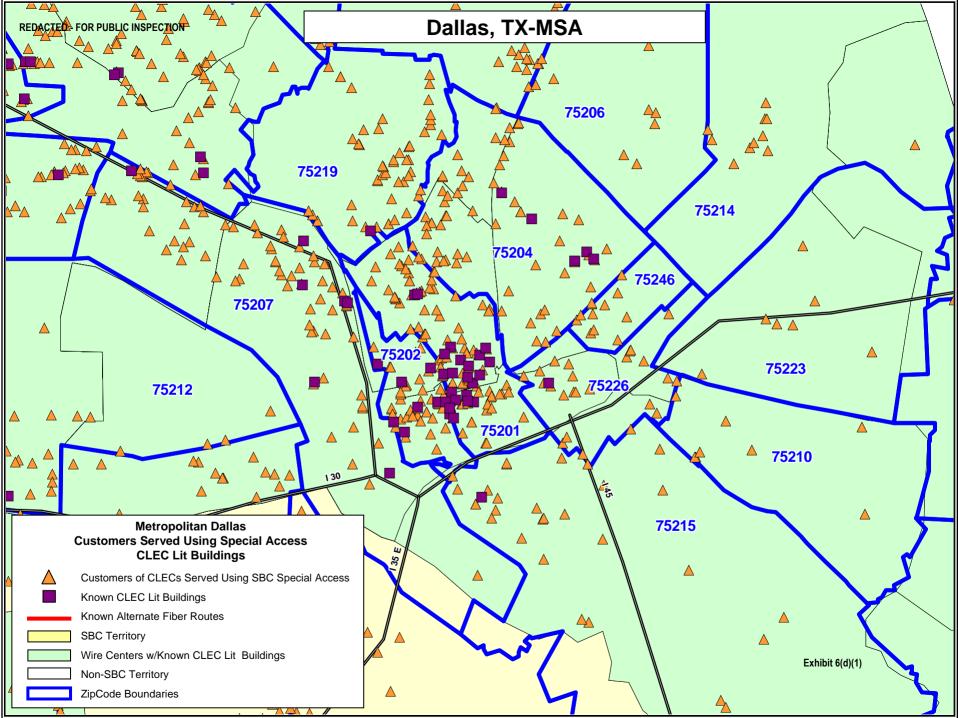


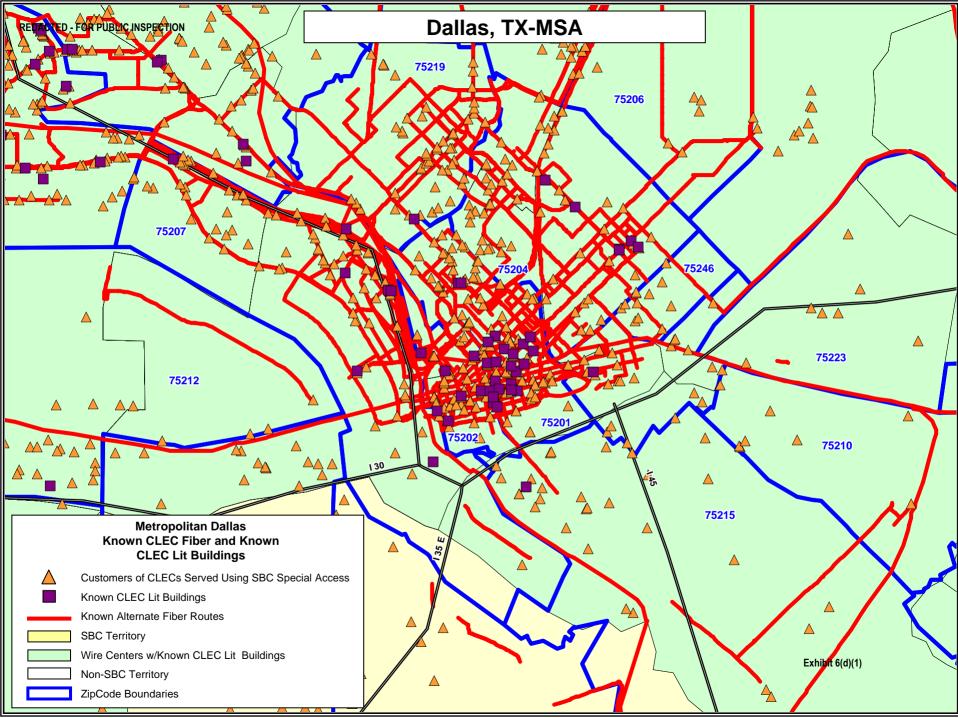


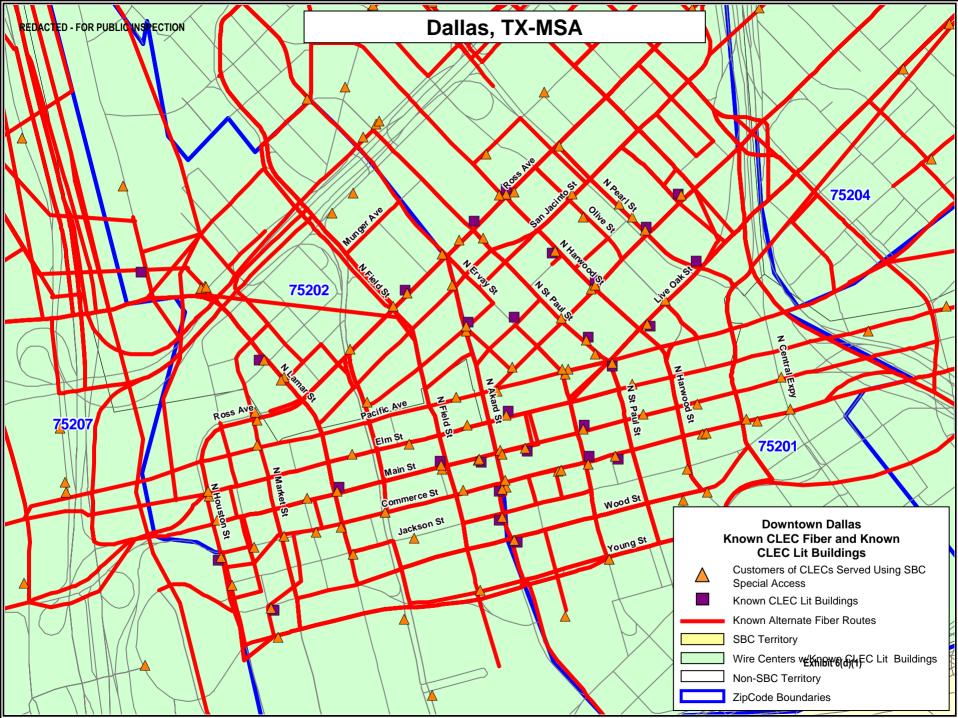


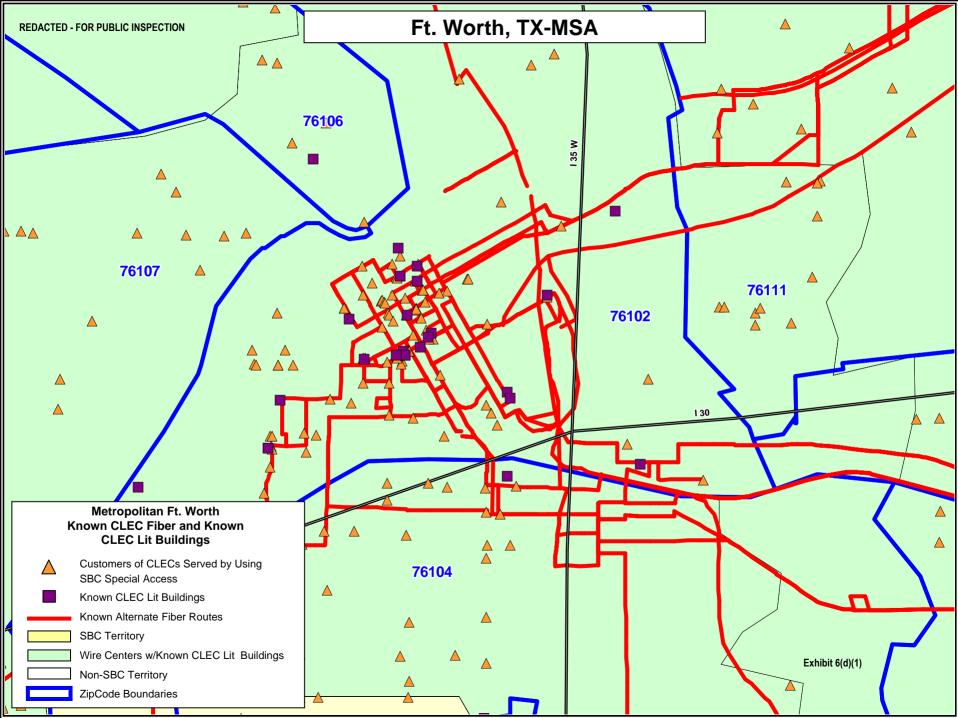


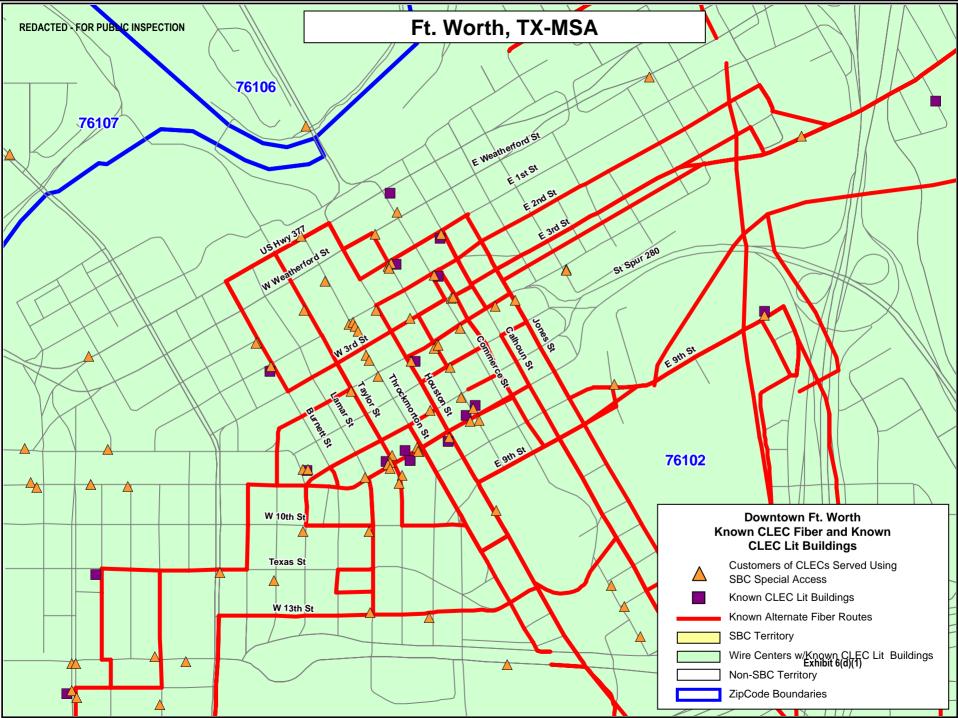


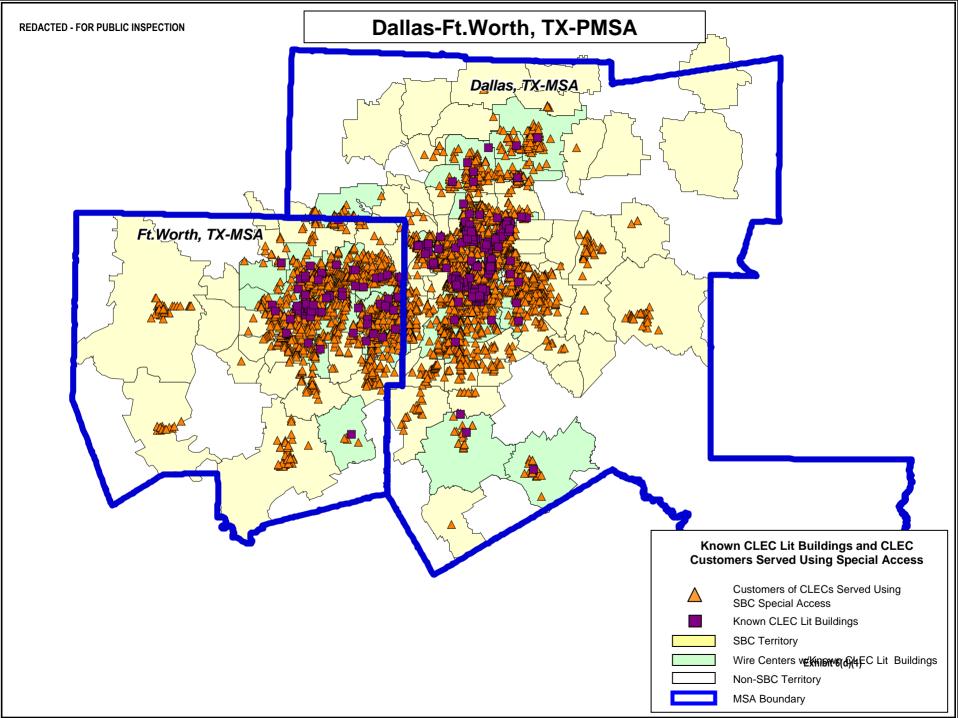


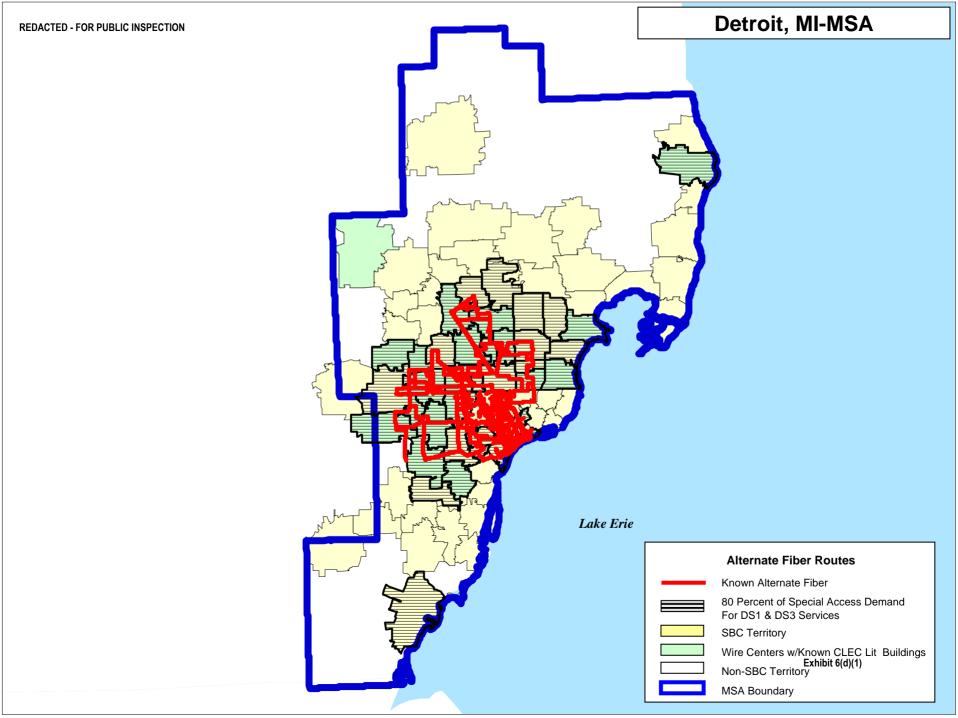


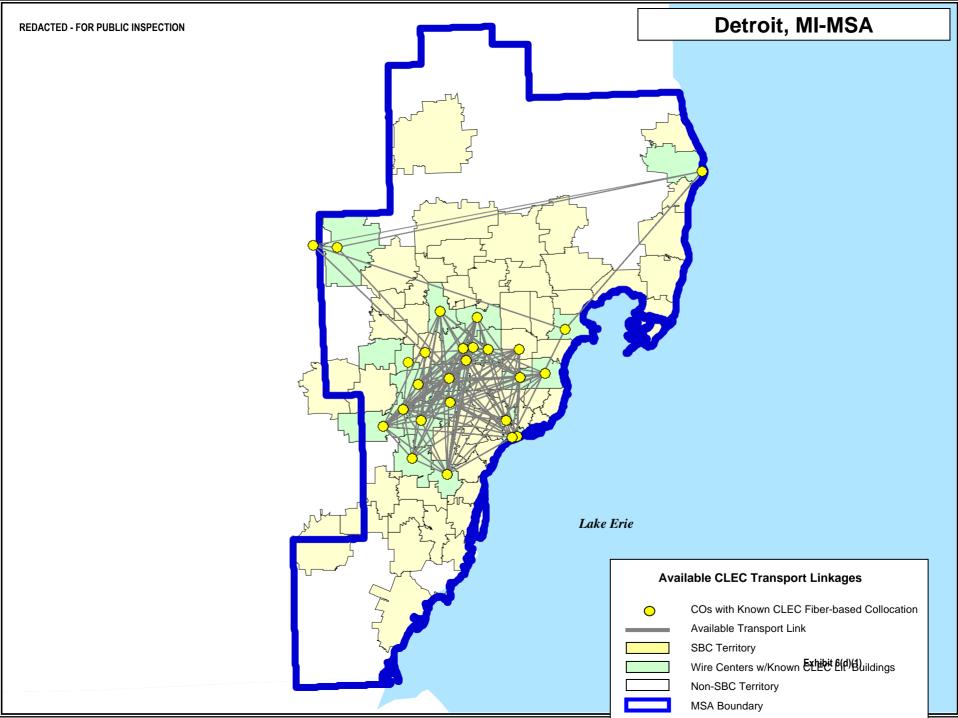


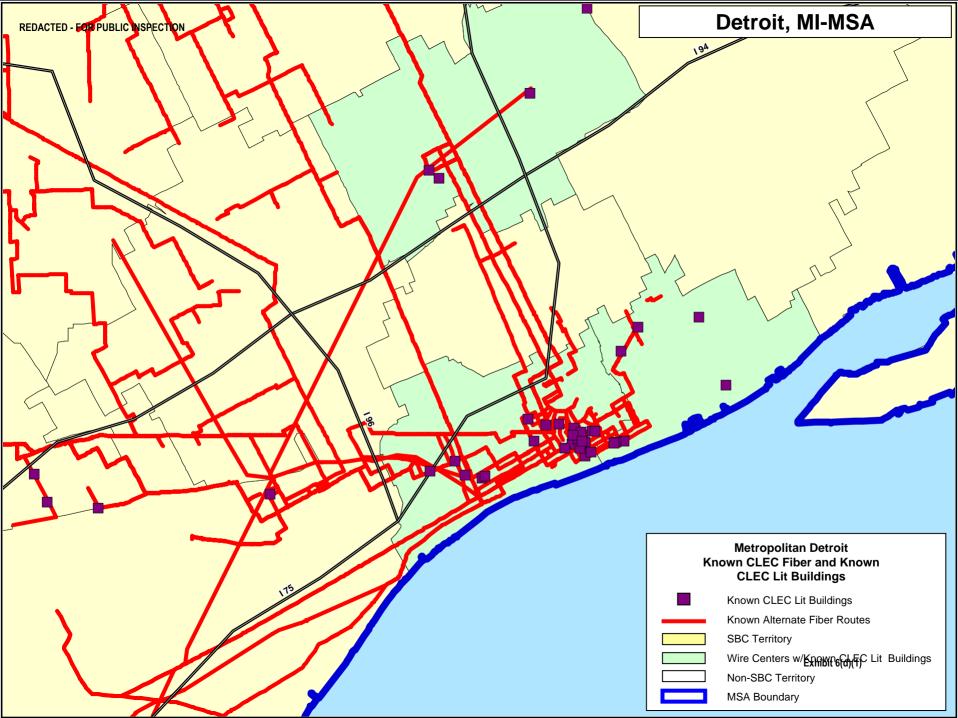


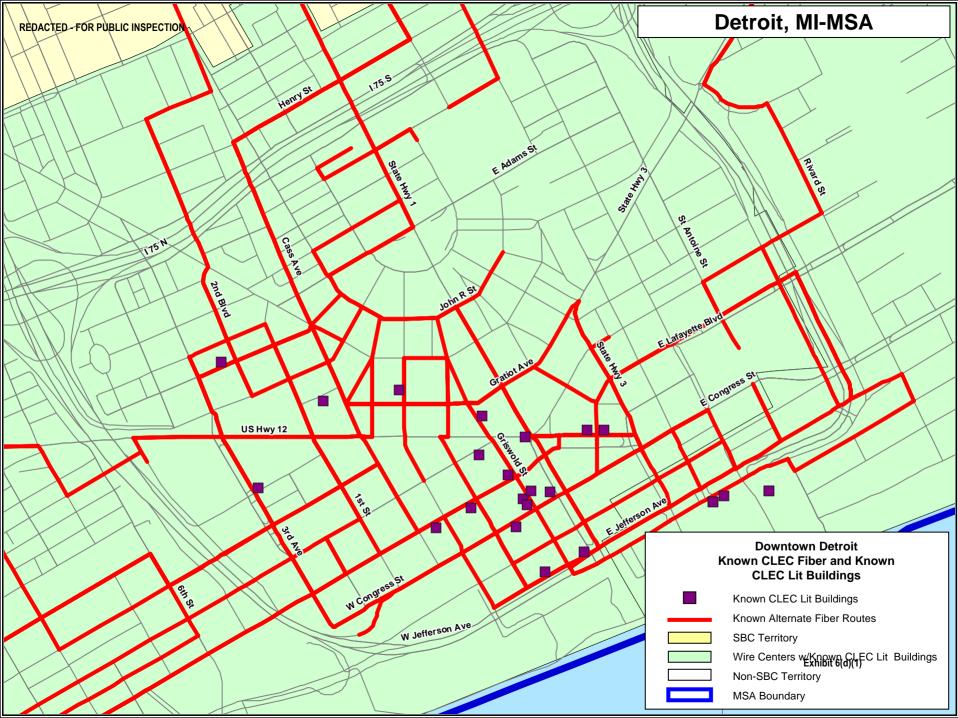


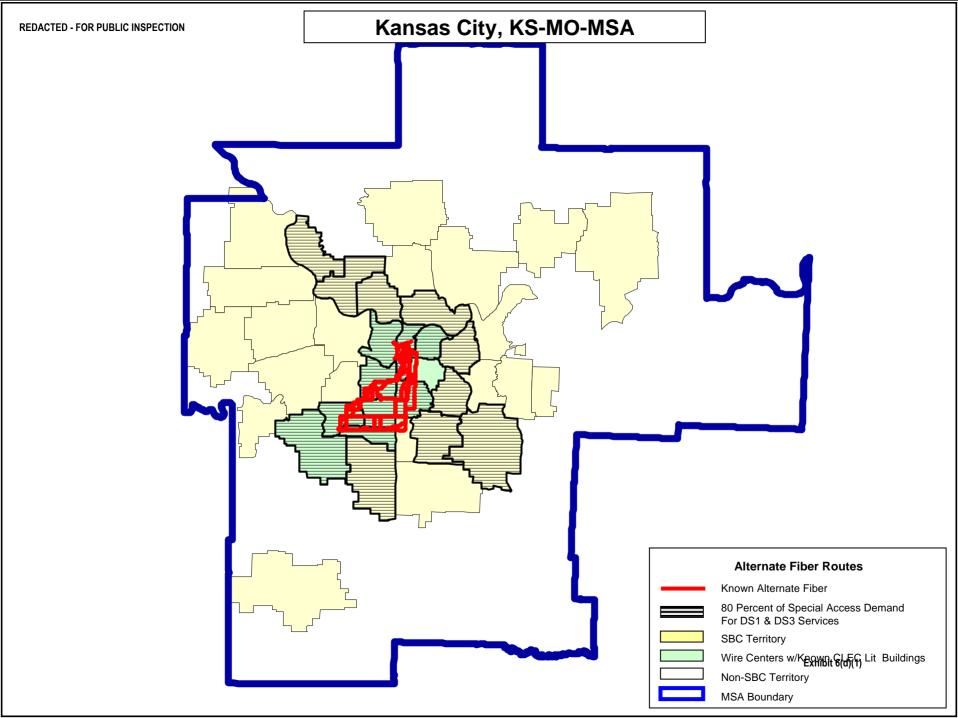


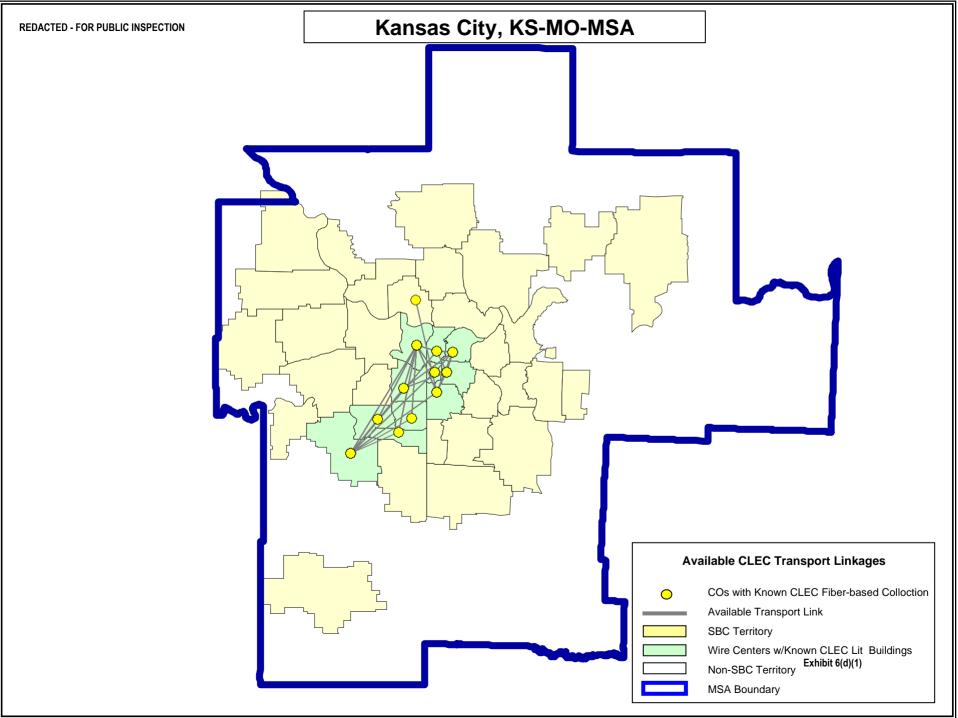


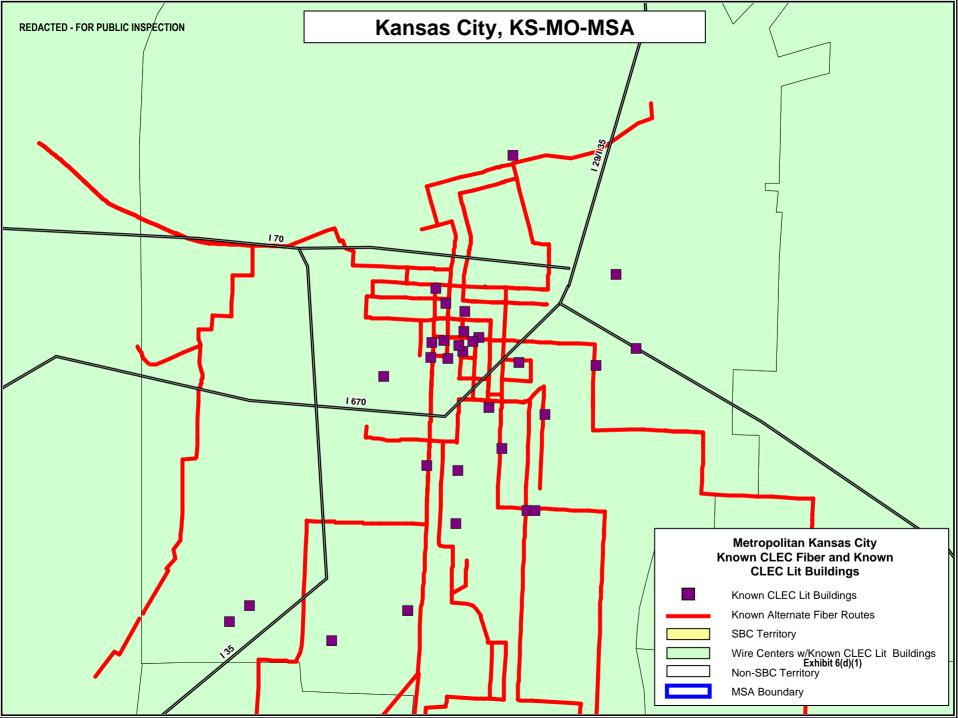


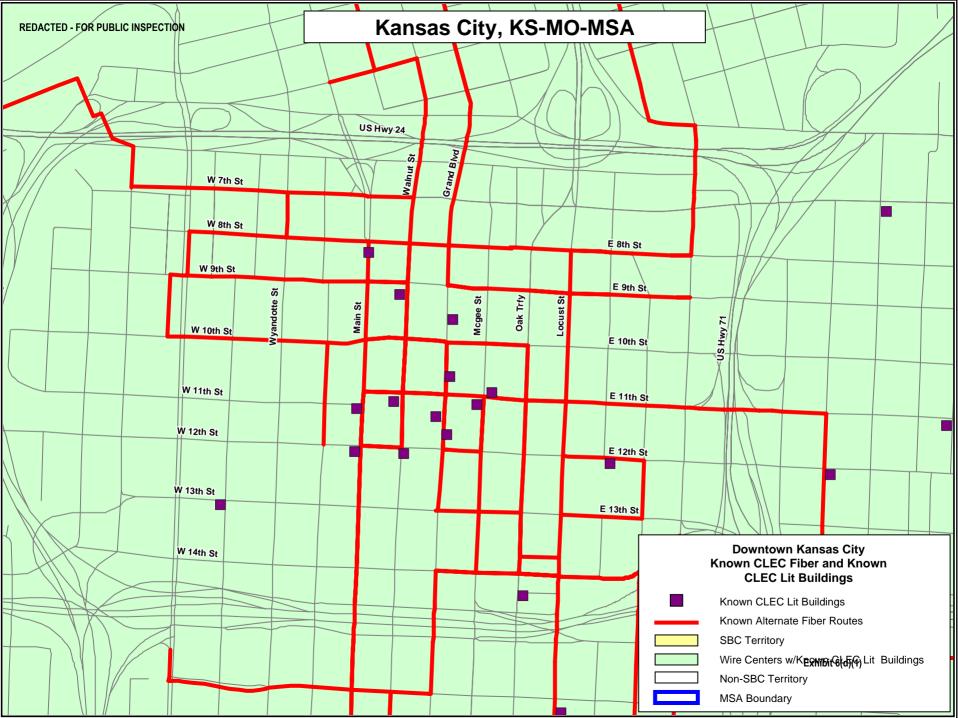


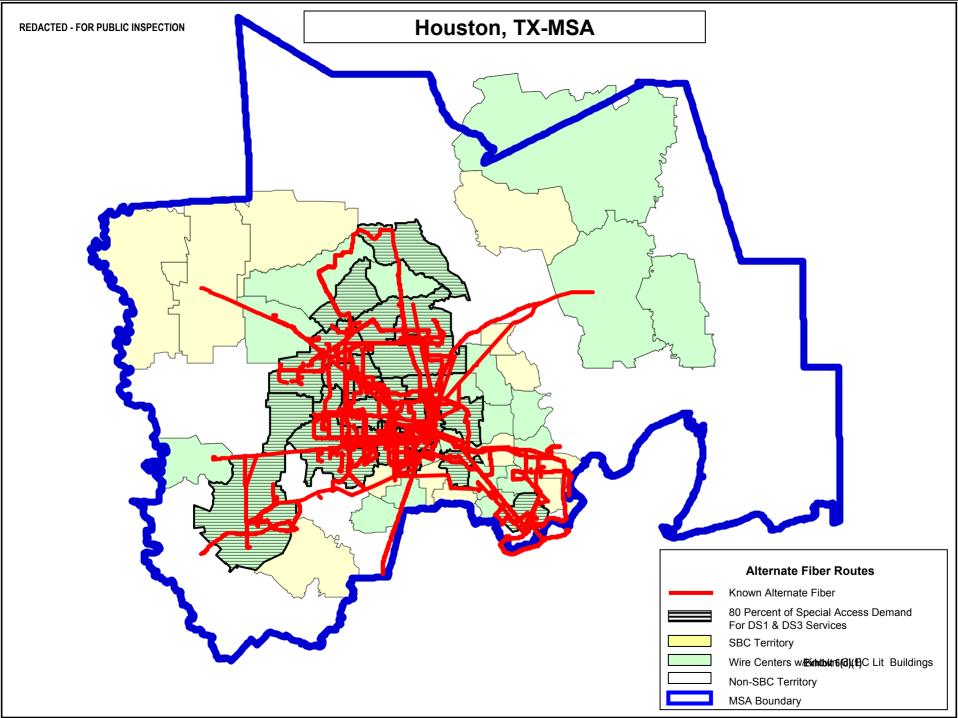


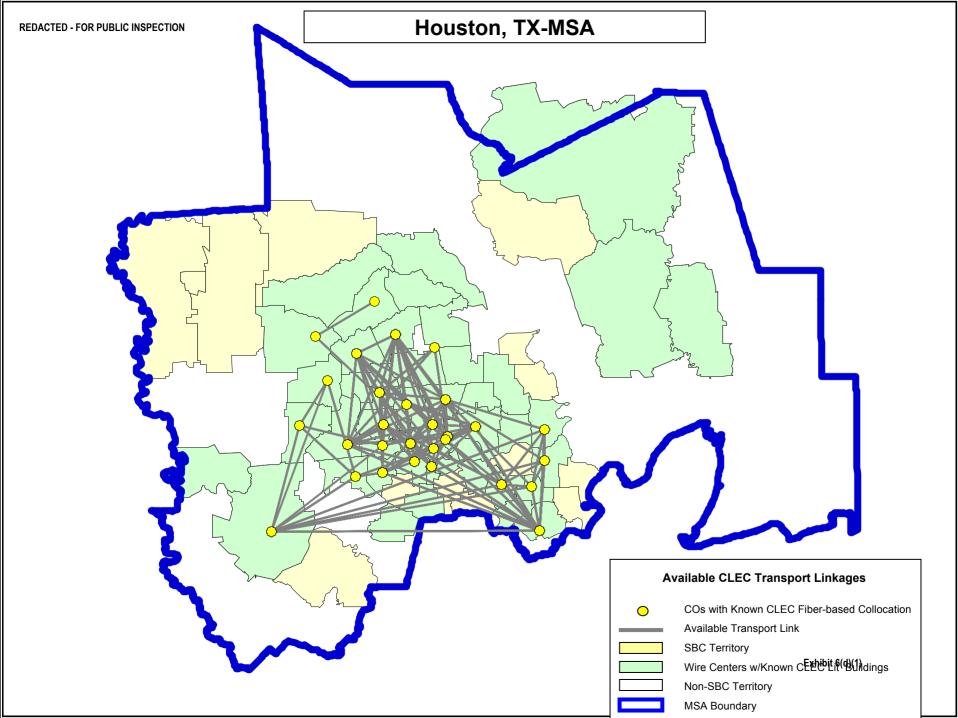


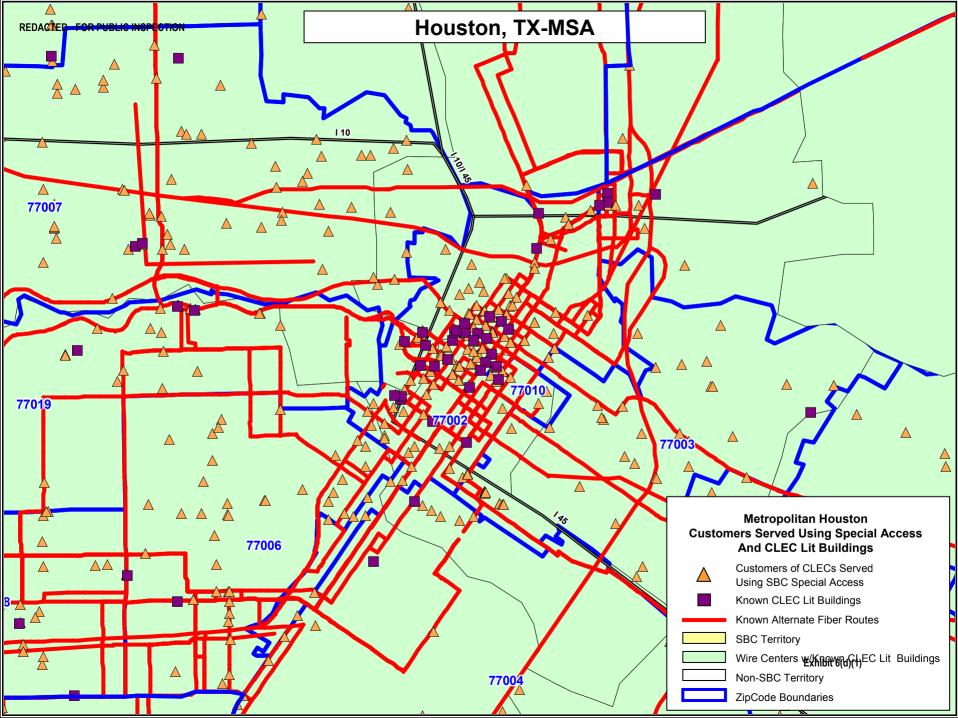


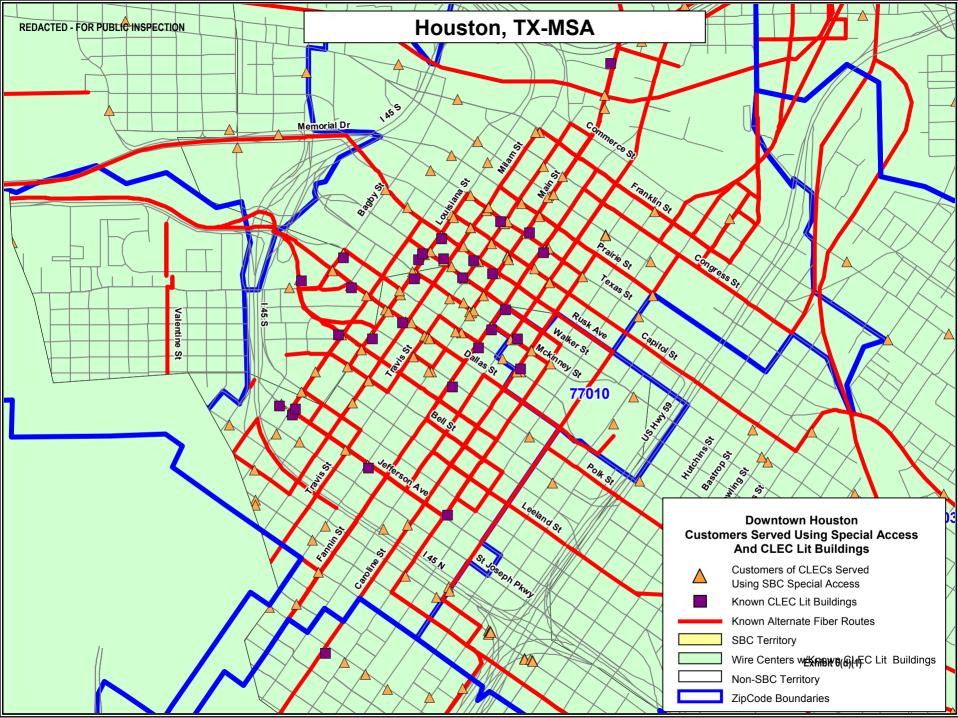


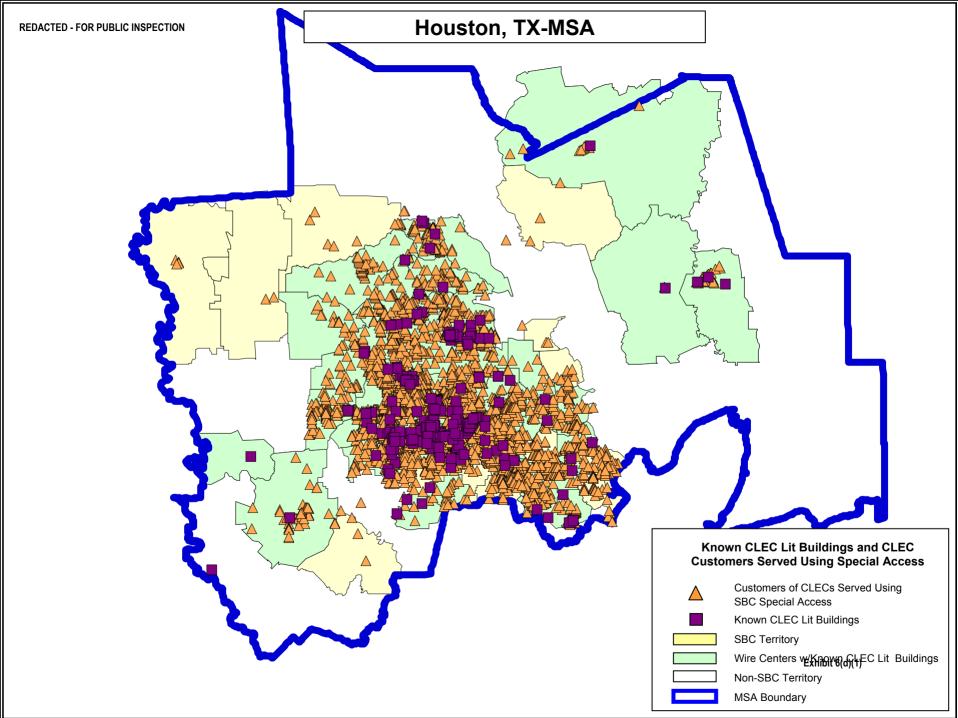


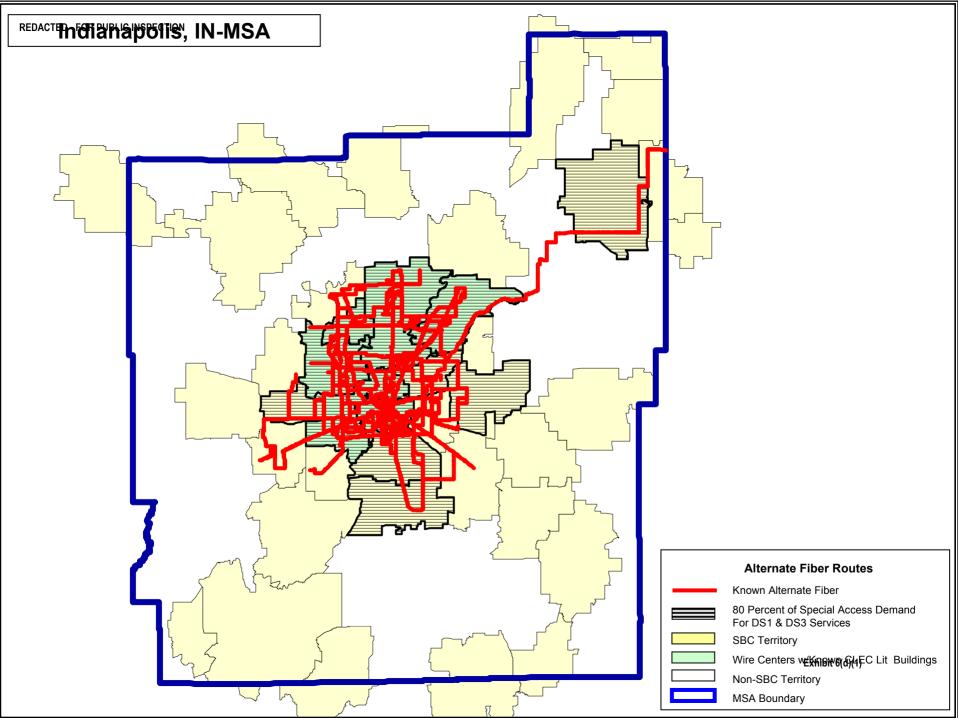


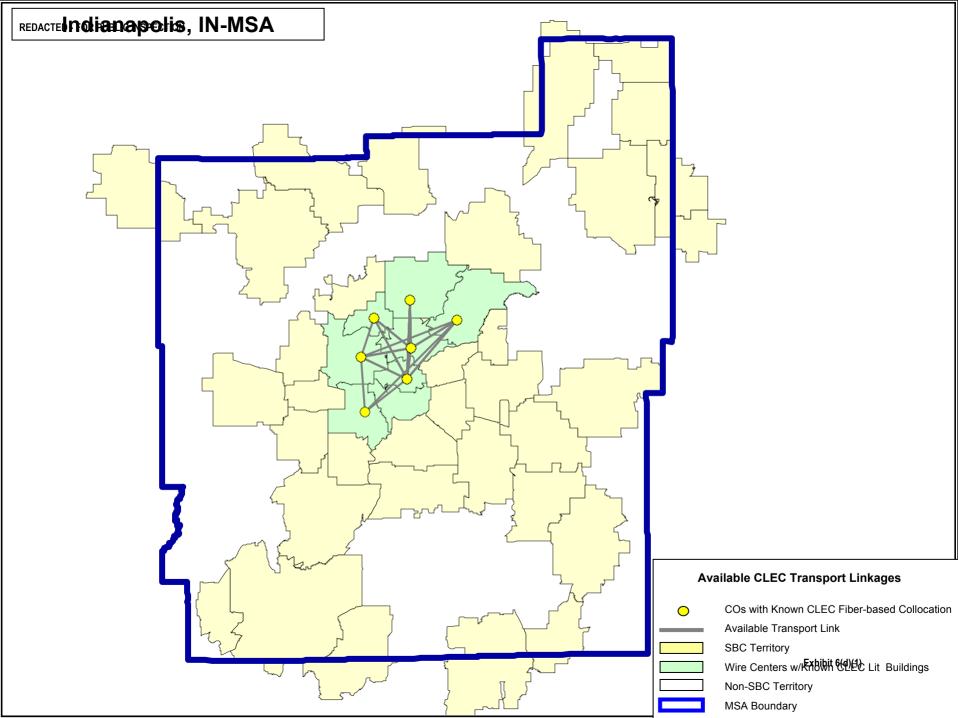


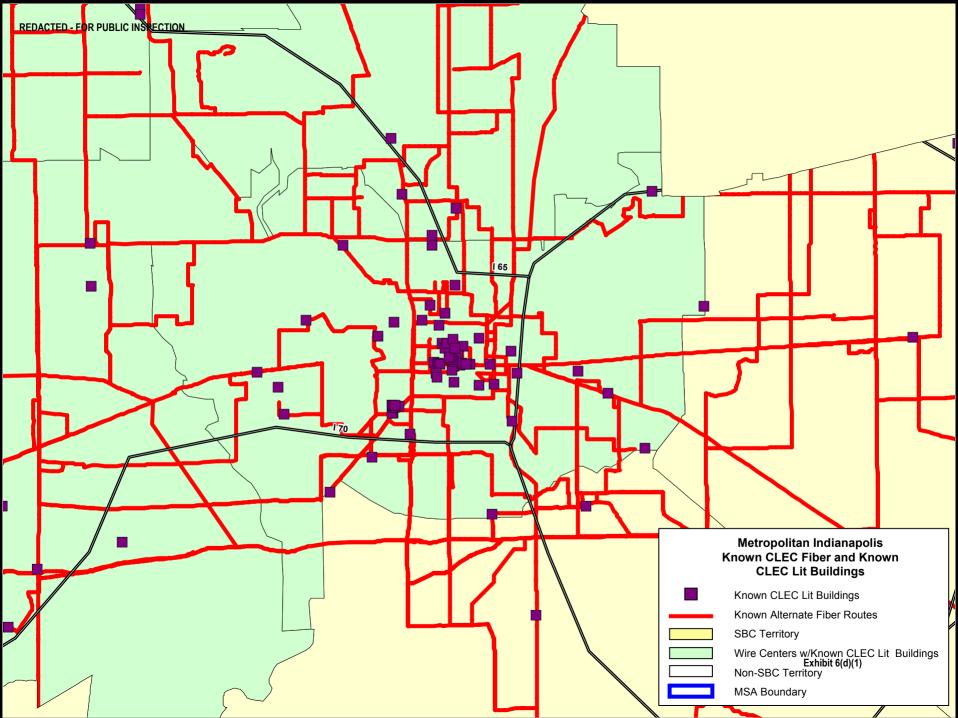


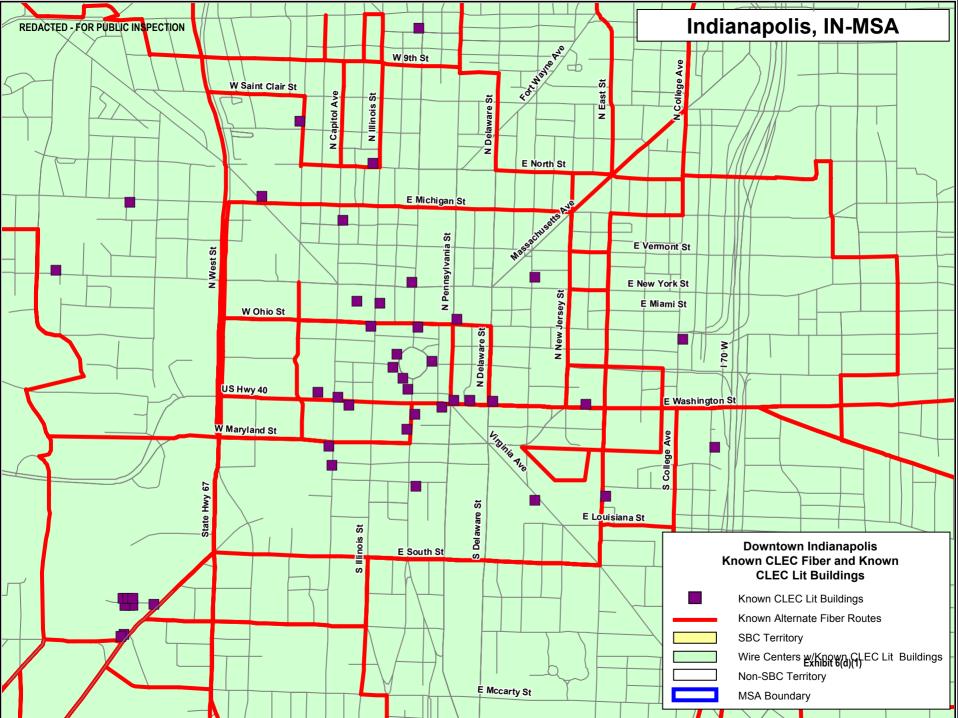


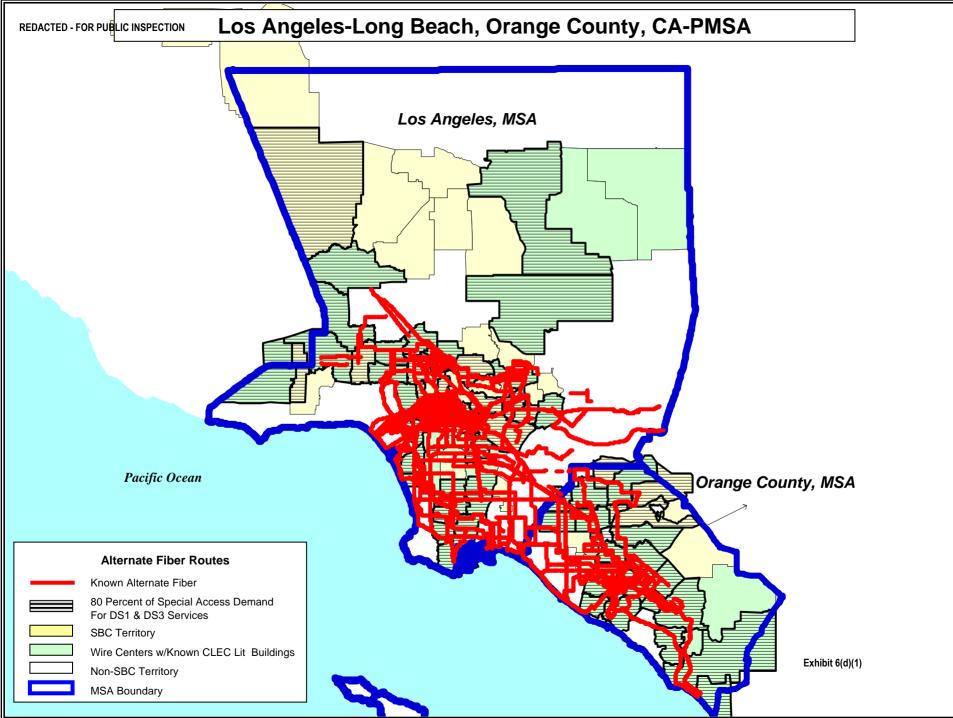


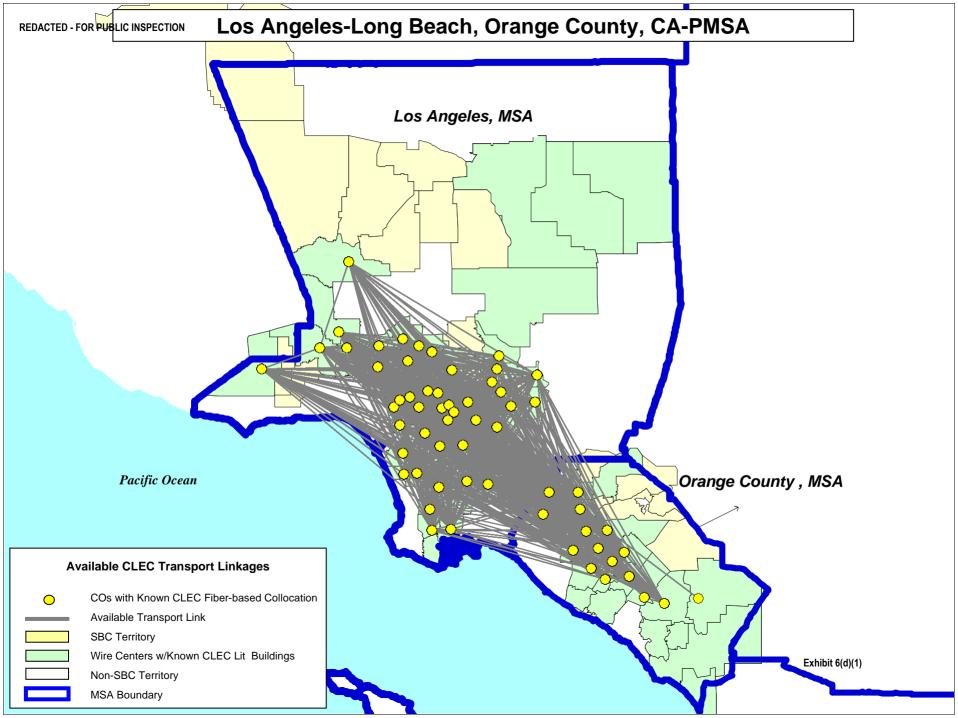


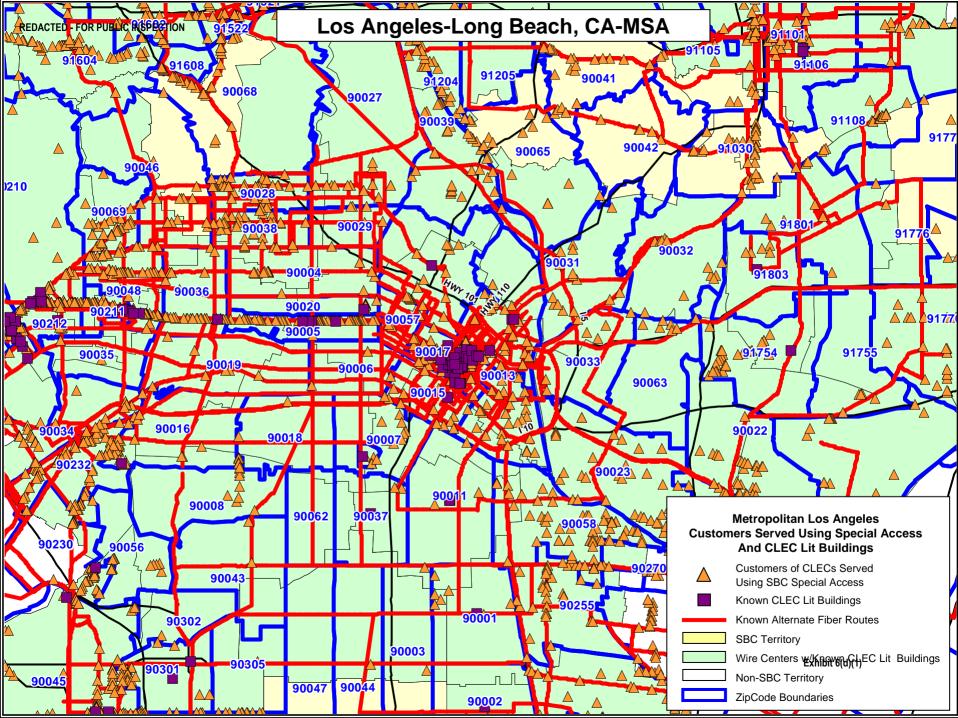




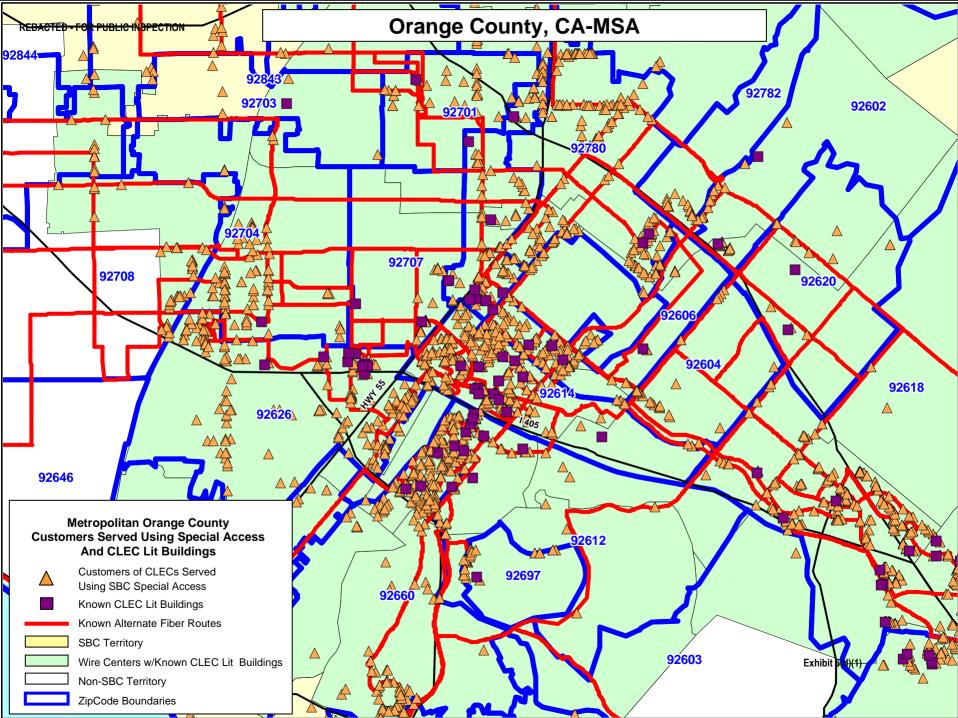


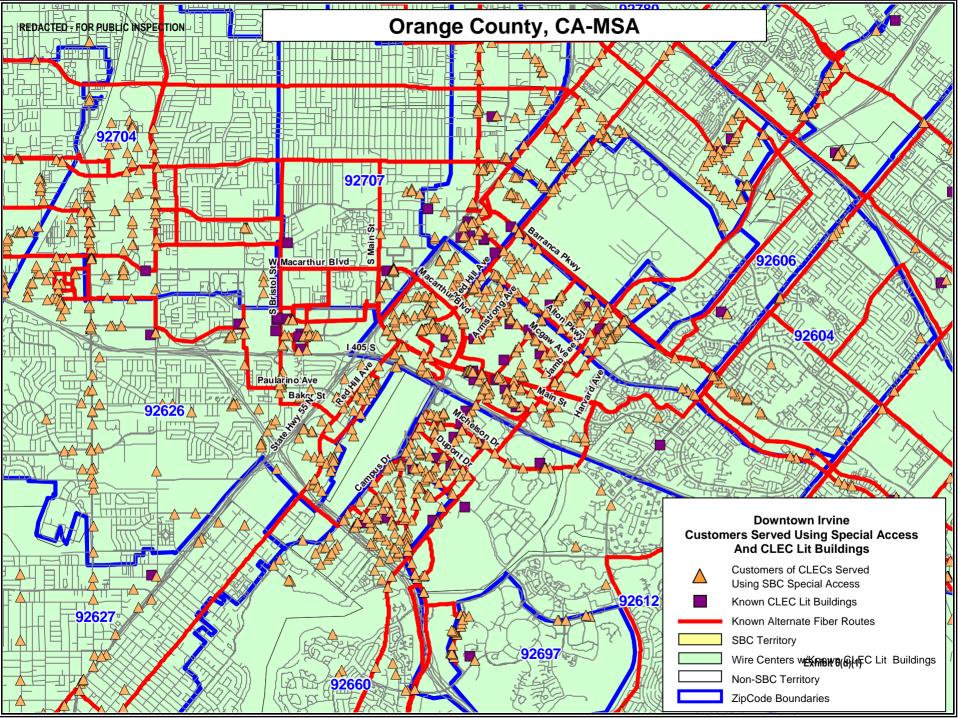


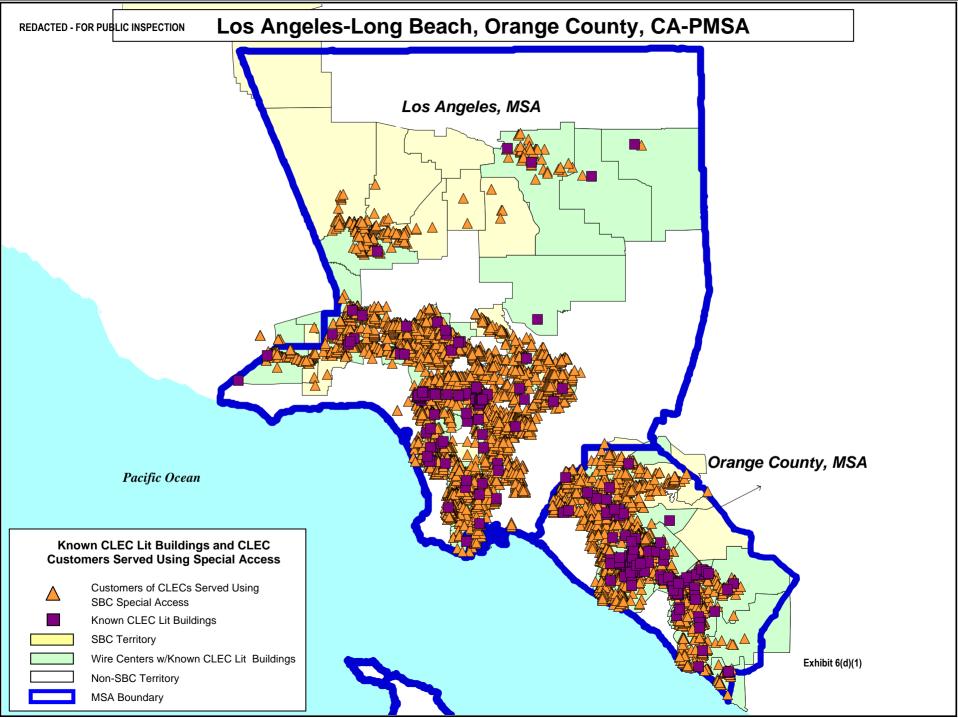


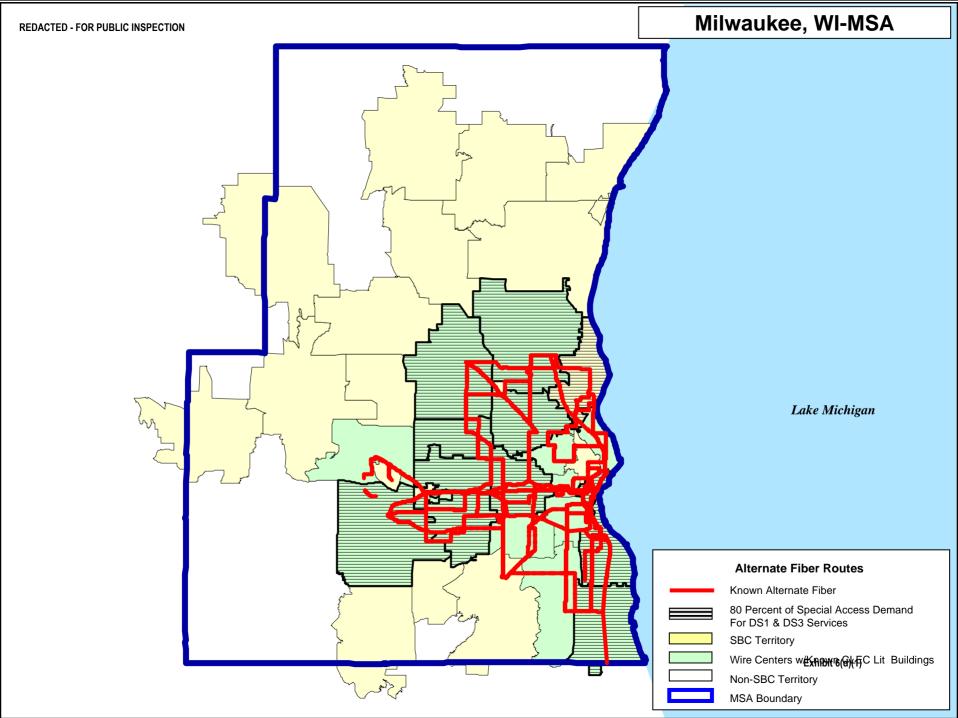


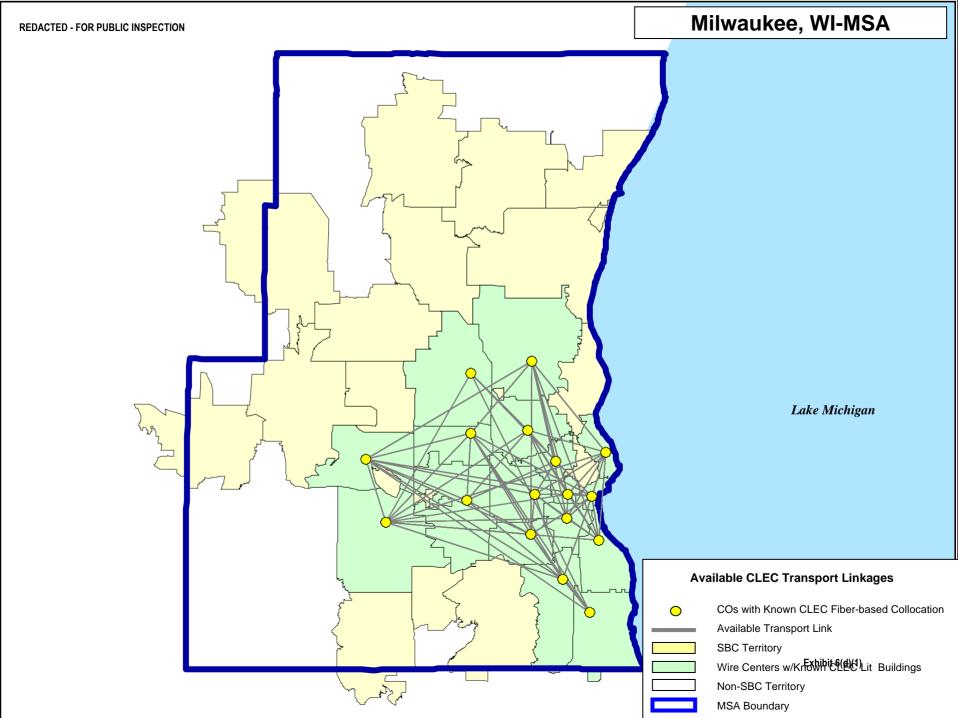


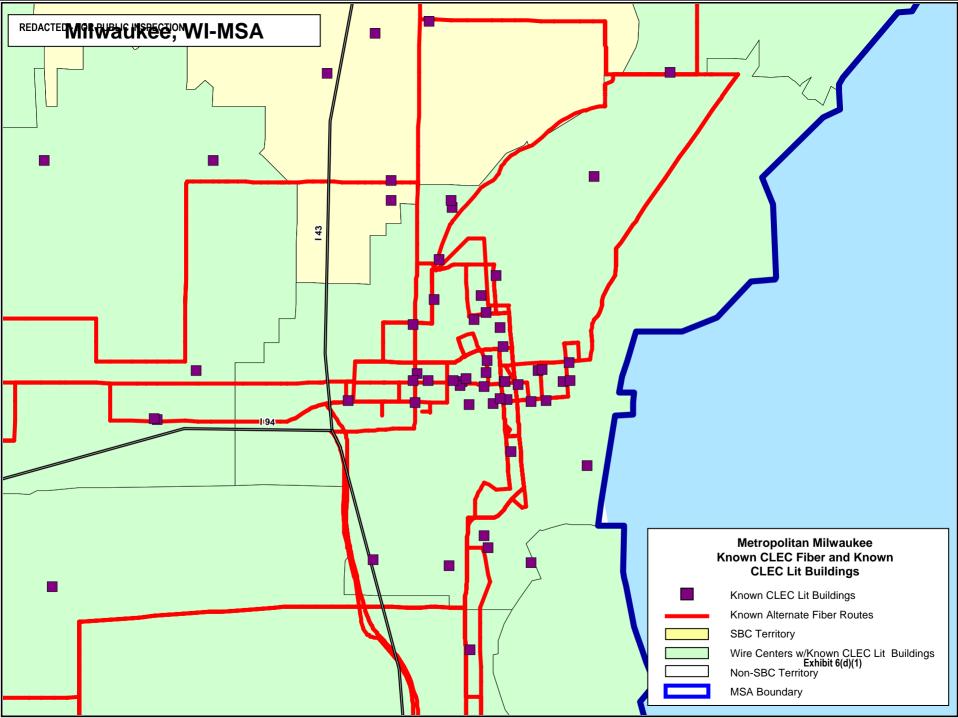


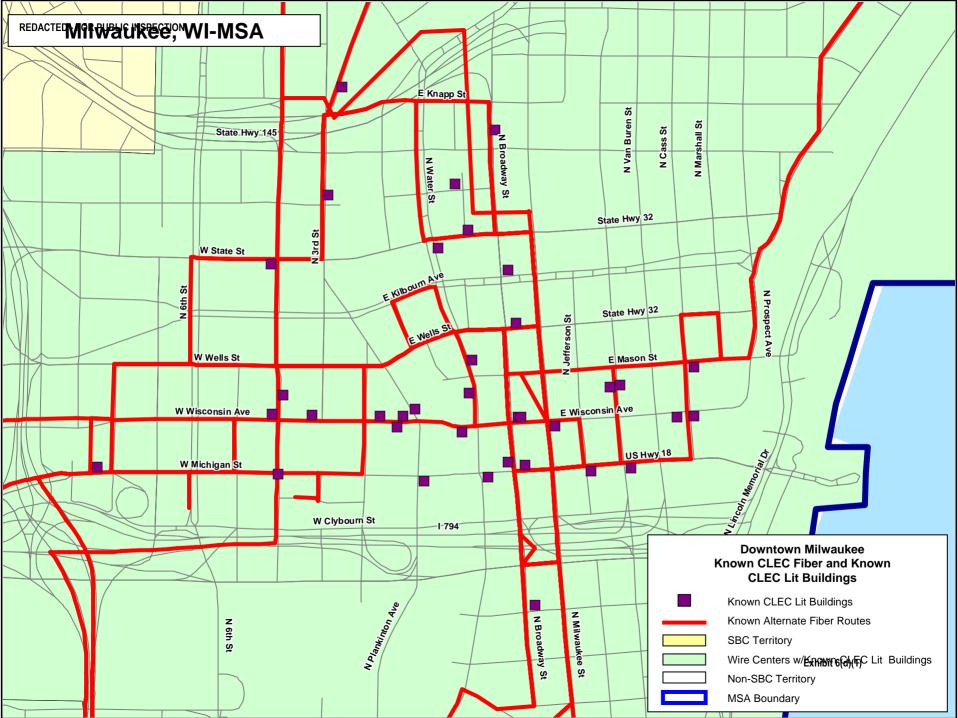


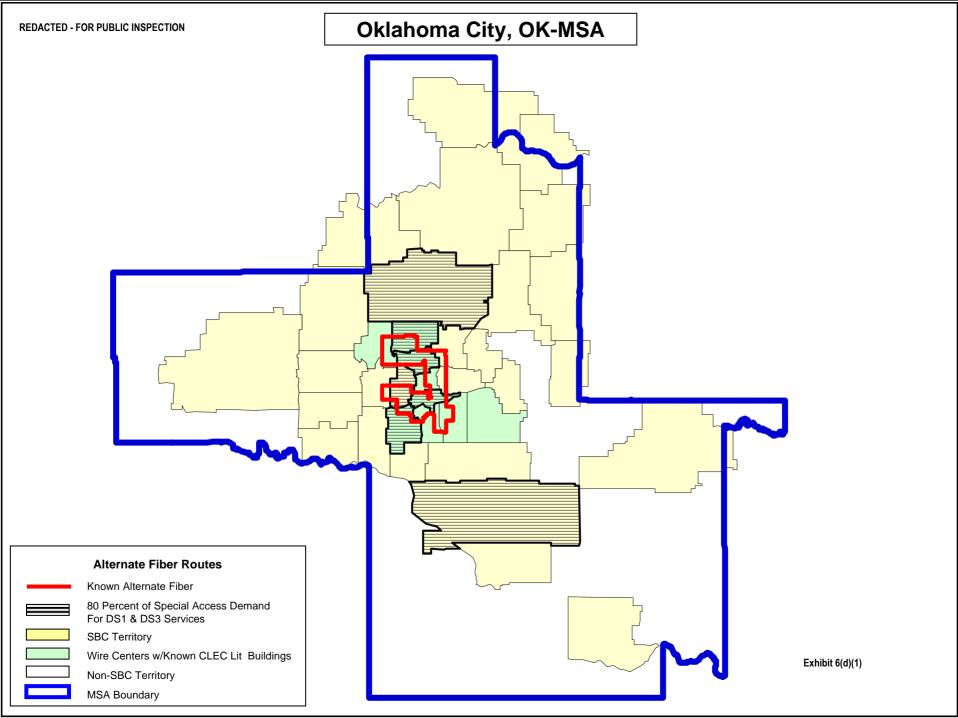


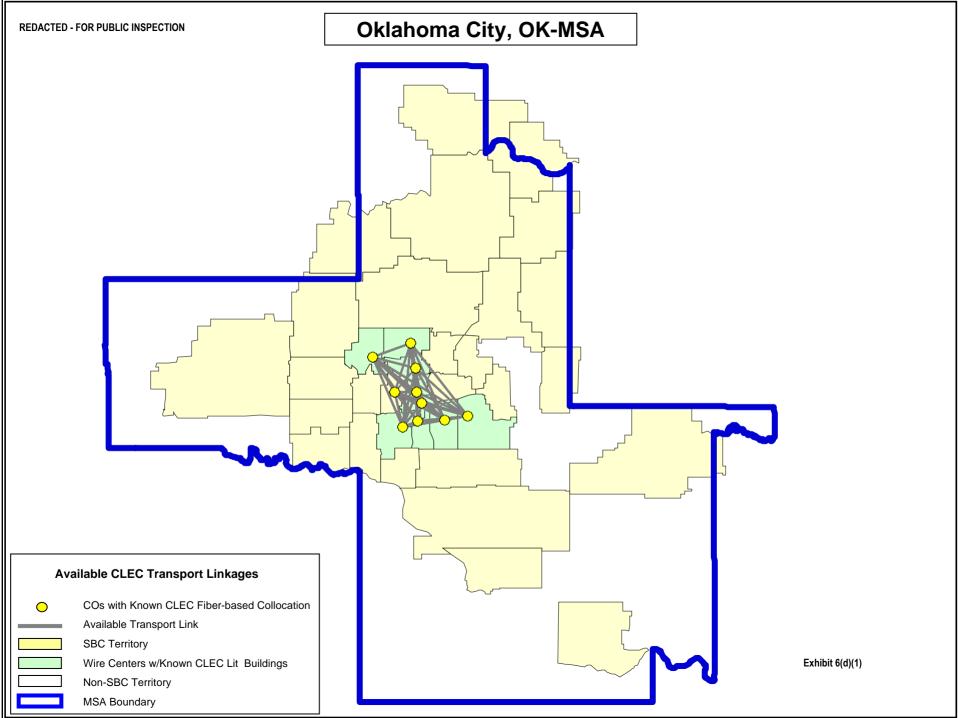


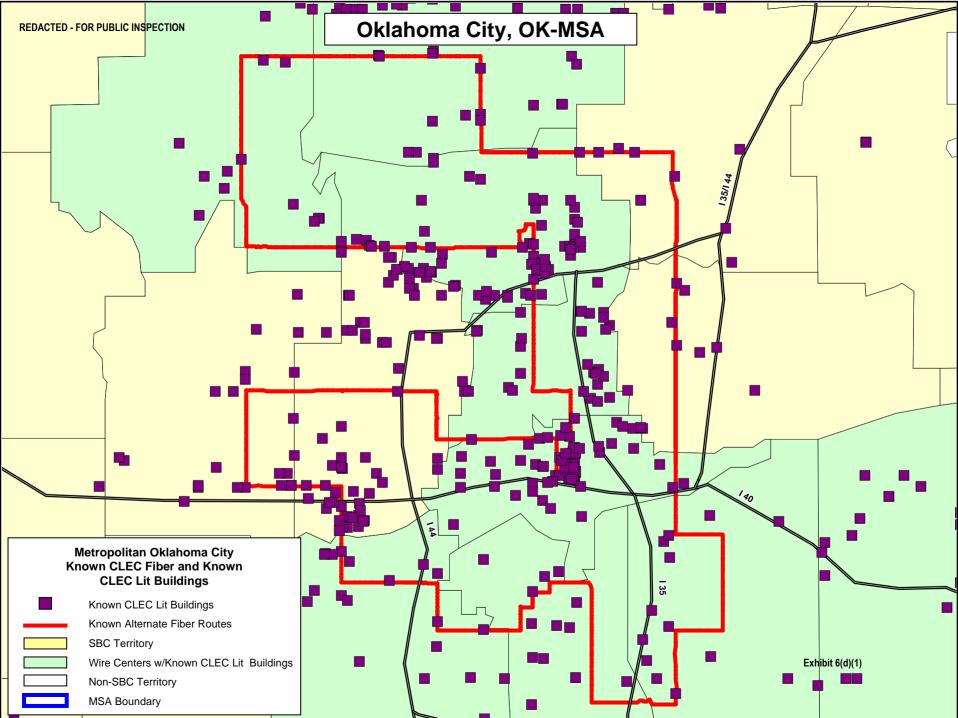


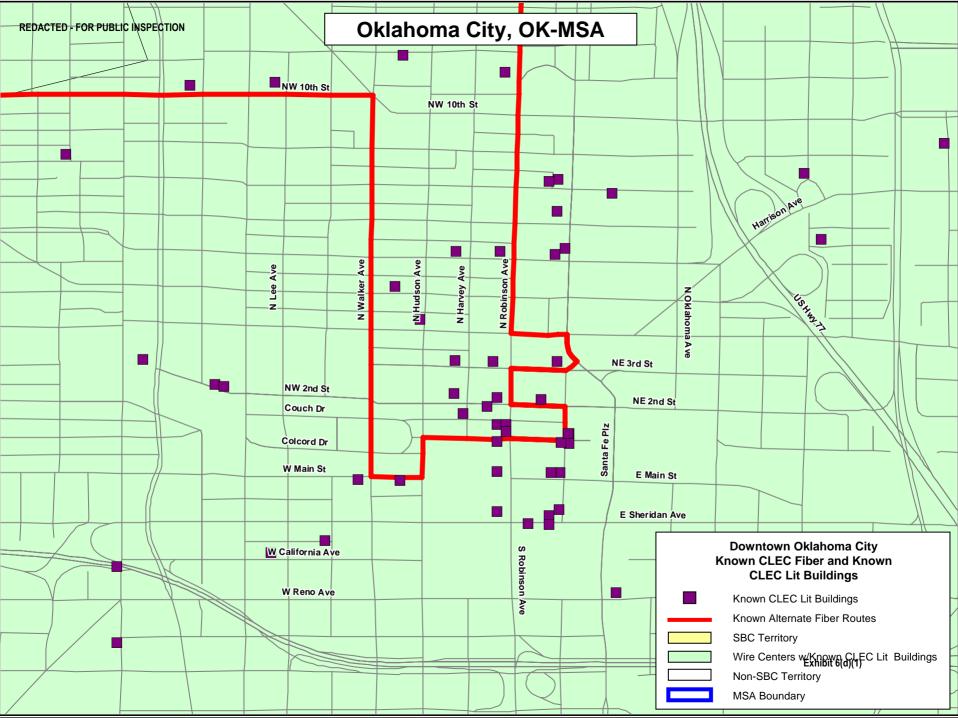


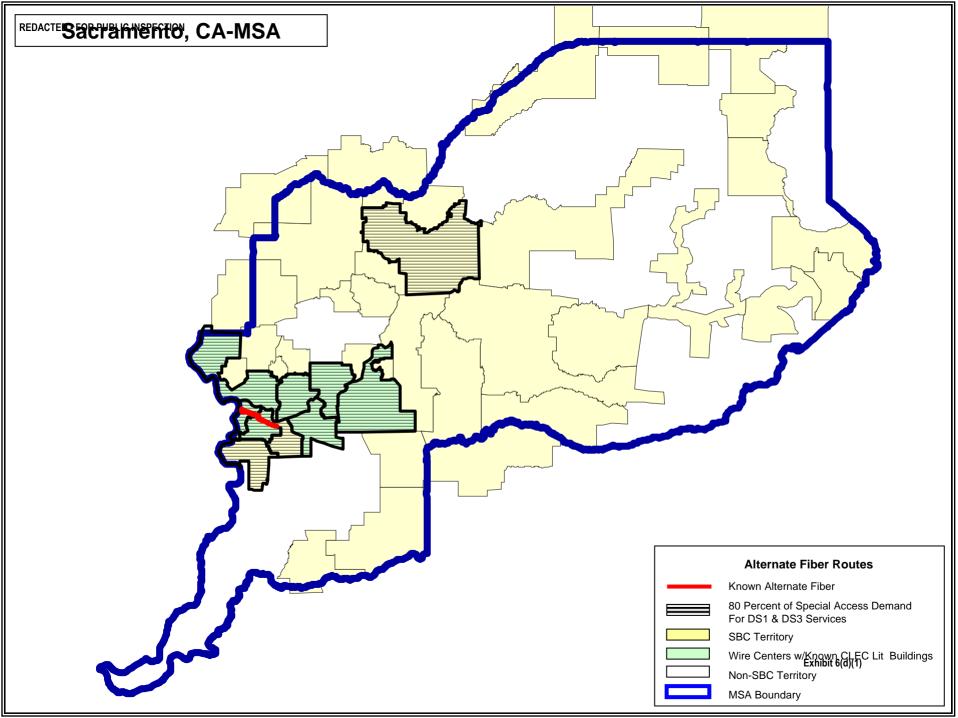


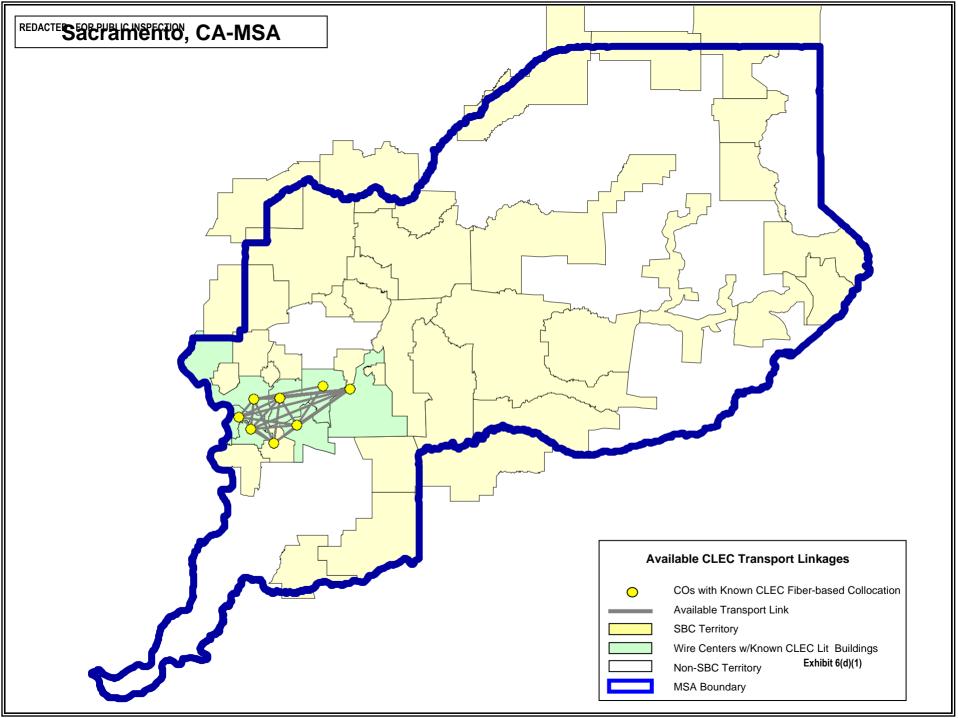


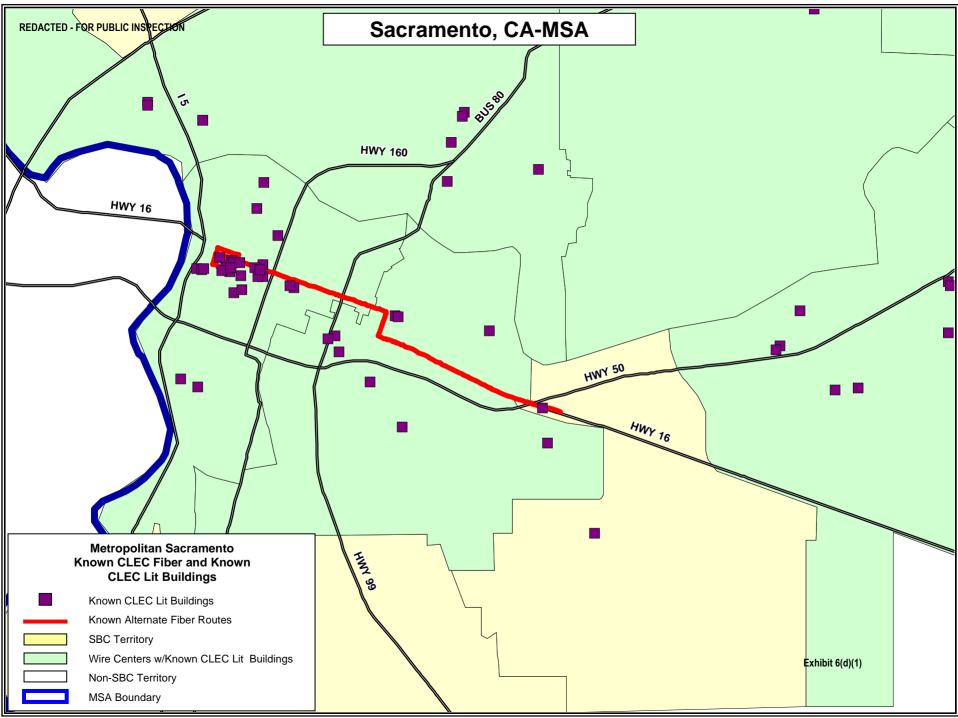


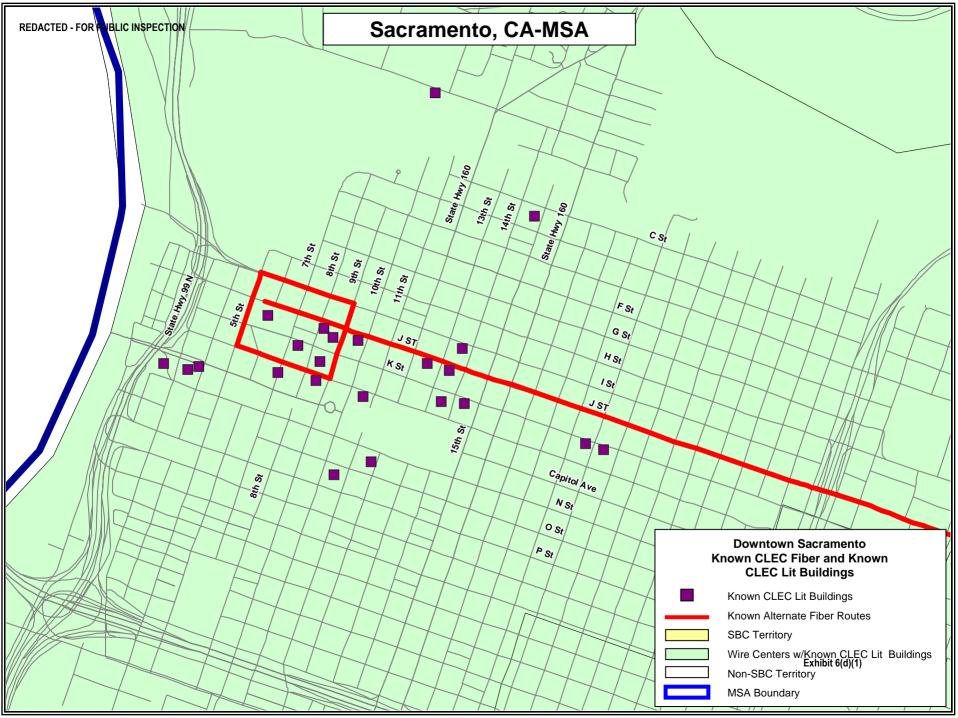












SBC Territory

MSA Boundary

San Antonio, TX-MSA

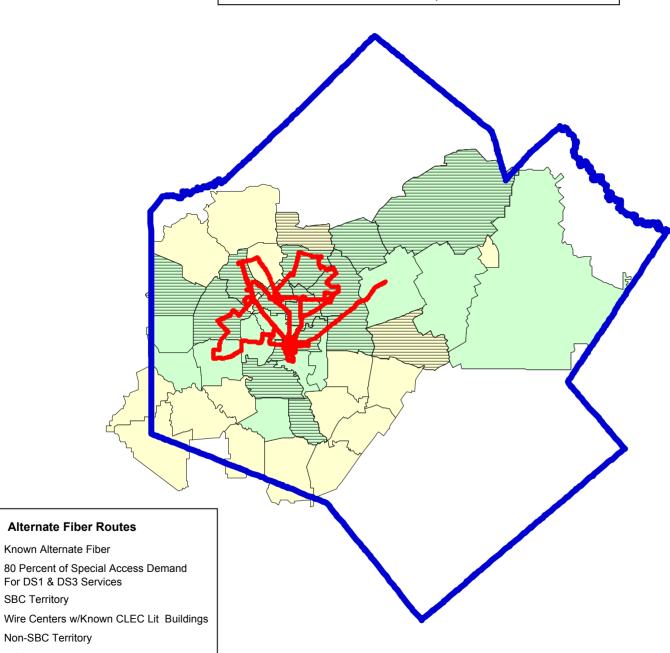


Exhibit 6(d)(1)

SBC Territory

Non-SBC Territory MSA Boundary

San Antonio, TX-MSA

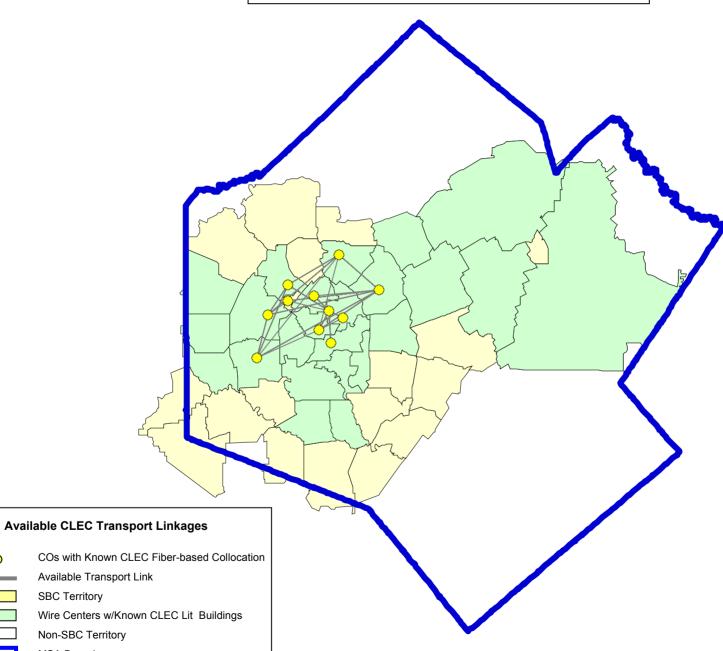


Exhibit 6(d)(1)

